



13 Beant

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF HUMAN SERVICES
BUREAU OF ELDERLY & ADULT SERVICES

Jeffrey A. Meyers
Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9203 1-800-351-1888

Maureen U. Ryan
Director of Human
Services

Fax: 603-271-4643 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

July 18, 2016

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human services, Bureau of Elderly and Adult Services to exercise a renewal option to existing agreements with the vendors listed below for the provision of dental treatment to adults sixty years of age or older in need of early or immediate intervention who lack financial resources by increasing the price limitation by \$55,772 from \$27,886 to \$83,658 and extending the contract completion date from September 30, 2016 to September 30, 2018, effective upon Governor and Executive Council approval. No maximum client or service volume is guaranteed. Accordingly, the price limitation among all agreements is \$27,886 per state fiscal year. Governor and Executive Council approved the original agreement on September 16, 2015 (item #16). 100% Federal Funds.

Vendor	Vendor #	Vendor Location
Easter Seals New Hampshire, Inc.	177204-B005	Manchester, NH
Families First of the Greater Seacoast	166629-B001	Portsmouth, NH
Goodwin Community Health	154703-B001	Somersworth, NH
Harbor Homes, Inc.	155358-B001	Nashua, NH
Mid-State Health Center	158055-B001	Plymouth, NH
Tri-County Community Action Program, Inc.	177195-B011	Tamworth, NH

Funds to support this request are available in the following account in State Fiscal Year 2017 and anticipated to be available in State Fiscal Year 2018 and 2019 upon availability and continued appropriation of funds in the future operating budgets, with the authority to adjust encumbrances between state fiscal years through the Budget Office without Governor and Executive Council approval, if needed and justified.

05-95-48-481010-8917 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADM ON AGING GRANTS

Fiscal Year	Class/Object	Class Title	Current Budget	Modified Budget	Total Budget
SFY 2016	102-500731	Contracts for Program Services	\$22,309	0	\$22,309
SFY 2017	102-500731	Contracts for Program Services	\$5,577	\$22,309	\$27,886
SFY 2018	102-500731	Contracts for Program Services	0	\$27,886	\$27,886
SFY 2019	102-500731	Contracts for Program Services	0	\$5,577	\$5,577
		Totals	\$27,886	\$55,772	\$83,658

EXPLANATION

The purpose of this amendment is to renew contract services for the provision of dental treatment to adults sixty years of age or older in need of early or immediate intervention who lack financial resources.

The Senior Oral Health Program provides for oral health screenings of older adults in community-based settings, including senior centers and meal sites. Eligible individuals are identified based on screening results and a corresponding oral health questionnaire, individuals that present with pain, possible infection, severe decay and/or suspicious lesions who do not have the financial resources or dental insurance to cover necessary treatments. The eligible individuals are referred to the Department to receive the necessary treatments at no charge to the individual.

Advancing aging causes many seniors to be at risk for a number of oral health problems. Over five hundred medications have been identified to cause dry mouth which is a common cause of tooth decay in older adults. In addition, the American Cancer Society has identified approximately 35,000 cases of mouth, throat and tongue cancer which may be identified through an oral health exam. Oral health interventions may improve the overall health as well as lower the risk of diabetes, heart disease and stroke.

Individuals with limited resources are unable to purchase dental insurance nor do they have the funds to pay for services. Neither Medicaid nor Medicare provide individuals with routine dental care. The Senior Oral Health Program provides dental screenings and services to eligible individuals free of charge.

The Department is satisfied with the services provided by these vendors. Approximately two hundred fifty individuals sixty years and older with limited resources receive services through the Senior Oral Health Program each year. The services provided through this program aligns with the Bureau of Elderly and Adult's State Plan on Aging to promote prevention and wellness programs as well as fostering continuity in services to low income seniors.

This package represents six (6) amendments to fulfill the need for services throughout the State. The price limitation among all vendors is combined per each state fiscal year.

The dentists will be reimbursed according to a fixed fee schedule, not to exceed \$2,000 per individual. Reimbursement is based on the Dental Fee Schedule, current as of February 2015, for dental services provided to adults in the Department of Health and Human Services, Bureau of Elderly and Adult Services, Older Adult Oral Health Program (ages 60+).

These contracts were competitively bid.

The original contract contains language which allows the Department the right to renew the contract for up to two additional years, subject to the continued availability of funds, satisfactory performance of contracted services and approval by Governor and Executive Council.

Should the Governor and Executive Council not approve this request, adults age sixty (60) and older with immediate dental need, but without access to care, will continue to face barriers to dental treatment and remain at high risk for compromised health. Oral health interventions could improve the oral health of older adults, support their well-being and prevent the need for more costly care.

Area to be Served: Statewide

Source of Funds: 100% Federal from the United States Department of Health and Human Services, Administration for Community Living, Title III, Part D Disease Prevention and Health Promotion Services, Catalog of Federal Domestic Assistance (CFDA) #93.043 and Federal Award Identification 17AANHT3PH.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Maureen U. Ryan
Director of Human Services

Approved by:



Jeffrey A. Meyers
Commissioner

**New Hampshire Department of Health and Human Services
Senior Oral Health Program**



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Senior Oral Health Program Contract**

This 1st Amendment to the Senior Oral Health Program contract (hereinafter referred to as "Amendment #1") dated June 21, 2016, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Easter Seals New Hampshire, Inc. (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 555 Auburn Street, Manchester, NH 03101.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on September 16, 2015, Item #16, the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to the General Provisions, Paragraph 18 of the Form P-37 and Exhibit C-1 Paragraph 4, the Department reserves the right to renew the contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council;

WHEREAS, the Department and the Contractor agree to extend the completion date by an additional two (2) years and to increase the price limitation;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree as follows:

1. Amend General Provisions (Form P-37), Block 1.7, Completion Date, by extending the date to September 30, 2018.
2. Amend General Provisions (Form P-37), Block 1.8, Price Limitation, to read: \$83,658.00.

**New Hampshire Department of Health and Human Services
Senior Oral Health Program**



This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

7/22/16
Date

Maureen Ryan
NAME Maureen Ryan
TITLE Director, Office of Human Services

Easter Seals New Hampshire, Inc.

7/5/16
Date

Elin Treanor
NAME Elin Treanor
TITLE CFO

Acknowledgement:

State of New Hampshire, County of Hillsborough on July 5, 2016, before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Cynthia Ross
Name and Title of Notary or Justice of the Peace

**CYNTHIA ROSS, Notary Public
My Commission Expires March 12, 2019**

New Hampshire Department of Health and Human Services
Senior Oral Health Program



The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

Date 8/4/14

Name: [Signature]
Title: Attorney General

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date _____

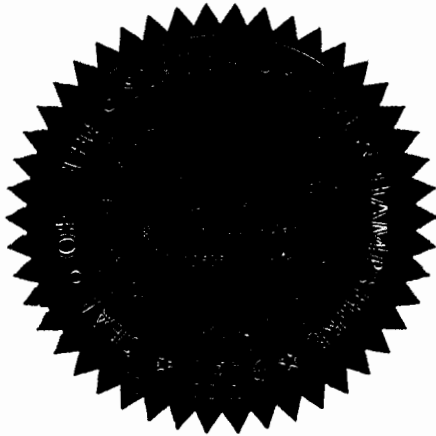
Name: _____
Title: _____

State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Easter Seals New Hampshire, Inc. is a New Hampshire nonprofit corporation formed November 6, 1967. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 13th day of April A.D. 2016

A handwritten signature in black ink, appearing to read "Wm Gardner", written in a cursive style.

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Betty Burke, do hereby certify that:
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Easter Seals NH, Inc.
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of
the Agency duly held on APRIL 13, 2016 :
(Date)

RESOLVED: That the Chief Financial Officer
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to
execute any and all documents, agreements and other instruments, and any amendments, revisions,
or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of
the 5th day of July, 2016.
(Date Contract Signed)

4. Elin Treanor is the duly elected Chief Financial Officer
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Betty Burke
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 5th day of July, 2016,

By Betty Burke
(Name of Elected Officer of the Agency)

Cynthia Ross
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

CYNTHIA ROSS, Notary Public
My Commission Expires March 12, 2019

Commission Expires: _____

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

8/20/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER USI Insurance Services LLC 3 Executive Park Drive, Suite 300 Bedford, NH 03110 855 874-0123	CONTACT NAME: PHONE (A/C, No, Ext): 855 874-0123 FAX (A/C, No): E-MAIL ADDRESS:																					
INSURED Easter Seals NH, Inc. 555 Auburn Street Manchester, NH 03103	<table border="1"> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr> <tr> <td>INSURER A :</td><td>Philadelphia Insurance Company</td><td>23850</td></tr> <tr> <td>INSURER B :</td><td></td><td></td></tr> <tr> <td>INSURER C :</td><td></td><td></td></tr> <tr> <td>INSURER D :</td><td></td><td></td></tr> <tr> <td>INSURER E :</td><td></td><td></td></tr> <tr> <td>INSURER F :</td><td></td><td></td></tr> </table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A :	Philadelphia Insurance Company	23850	INSURER B :			INSURER C :			INSURER D :			INSURER E :			INSURER F :		
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INSURER B :																						
INSURER C :																						
INSURER D :																						
INSURER E :																						
INSURER F :																						

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY ☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR ☒ Professional Liab GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC	X	X	PHPK1381711	09/01/2015	09/01/2016	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$3,000,000
A	AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS ☒ HIRED AUTOS ☒ NON-OWNED AUTOS			PHPK1381711	09/01/2015	09/01/2016	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	☒ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE DED ☒ RETENTION \$10,000			PHUB511851	09/01/2015	09/01/2016	EACH OCCURRENCE \$15,000,000 AGGREGATE \$15,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ Y ☒ N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				WC STATU-TORY LIMITS ☐ OTH-ER ☐ E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	EDP			PHPK1381711	09/01/2015	09/01/2016	\$2,219,050 \$500 Deductible Special Form Incl Theft

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Supplemental Names: Easter Seals ME, Inc., STS, Inc., Agency Realty, Inc., Easter Seals Rhode Island, Inc., Manchester Alcohol Rehabilitation Center, Inc., dba The Farnum Center, Easter Seals VT, Inc., - The General Liability policy includes a Blanket Automatic Additional Insured Endorsement that provides Additional Insured and a Blanket Waiver of Subrogation status to the Certificate Holder, only when there is a written contract or written agreement between the named insured and the certificate holder that requires (See Attached Descriptions)

CERTIFICATE HOLDER

CANCELLATION

Department of Health & Human Services, State of NH 129 Pleasant Street Concord, NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/28/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Hays Companies 133 Federal Street, 2nd Floor Boston MA 02110 INSURED Easter Seals New Hampshire, Inc 555 Auburn Street Manchester NH 03103	CONTACT NAME: Producer HOUSE PHONE (A/C, No, Ext): (617) 723-7775 FAX (A/C, No): E-MAIL ADDRESS: INSURER(S) AFFORDING COVERAGE INSURER A: United States Fire Insurance INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	NAIC # 21113

COVERAGES

CERTIFICATE NUMBER: 16-17 WC

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY CLAIMS-MADE OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC OTHER					EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMPROP AGG
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS HIRED AUTOS SCHEDULED AUTOS NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
	UMBRELLA LIAB EXCESS LIAB DED RETENTION \$					EACH OCCURRENCE AGGREGATE
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A	406-7196831	1/1/2016	1/1/2017	X PER STATUTE E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Evidence of Insurance

CERTIFICATE HOLDER

CANCELLATION

Department of Health & Human Services
129 Pleasant St.
Concord, NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

James Hays/FTHOMA

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ACORD 25 (2014/01)

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INS025 (2014/01)

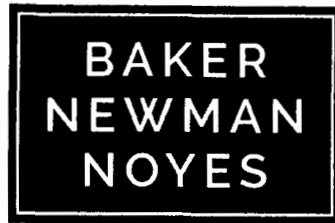
DESCRIPTIONS (Continued from Page 1)

such status, and only with regard to the above referenced on behalf of the named insured. The General Liability policy contains a special endorsement with "Primary and Non-Contributory" wording.



Mission:

Easter Seals provides exceptional services to ensure that all people with disabilities or special needs and their families have equal opportunities to live, learn, work and play in their communities.



**Easter Seals New Hampshire, Inc.
and Subsidiaries**

Consolidated Financial Statements and
Other Financial Information

*Years Ended August 31, 2015 and 2014
With Independent Auditors' Report*

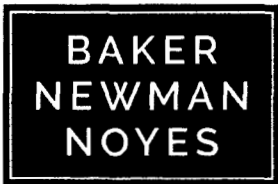
EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

**CONSOLIDATED FINANCIAL STATEMENTS AND
OTHER FINANCIAL INFORMATION**

For the Years Ended August 31, 2015 and 2014

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Easter Seals New Hampshire, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of Easter Seals New Hampshire, Inc. and Subsidiaries (Easter Seals NH), which comprise the consolidated statements of financial position as of August 31, 2015 and 2014, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Directors
Easter Seals New Hampshire, Inc. and Subsidiaries

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Easter Seals NH as of August 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying other financial information is presented for purposes of additional analysis rather than to present the financial position and results of operations of the individual companies and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

As discussed in note 1, effective August 31, 2015, Easter Seals NH transferred its sole member interest in Easter Seals New York, Inc. to Fedcap Rehabilitation Services, Inc. As a result, these consolidated financial statements do not include the financial position of Easter Seals New York, Inc. at August 31, 2015, while the results of operations of Easter Seals New York, Inc. are included for the year then ended.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2015 on our consideration of Easter Seals New Hampshire, Inc. and Subsidiaries' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Easter Seals New Hampshire, Inc. and Subsidiaries' internal control over financial reporting and compliance.

Manchester, New Hampshire
December 10, 2015

Baker Newman & Noyes
Limited Liability Company

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

August 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 5,615,095	\$ 2,757,134
Accounts receivable from affiliates	98,710	341,653
Program and other accounts receivable, less contractual allowance of \$1,896,800 in 2015 and \$218,900 in 2014, and allowance for doubtful accounts of \$936,400 in 2015 and \$440,800 in 2014	7,114,280	10,122,747
Contributions receivable, less allowance for doubtful accounts of \$26,500 in 2015 and \$45,400 in 2014	605,256	705,374
Current portion of assets limited as to use	315,065	300,046
Prepaid expenses and other current assets	<u>1,214,353</u>	<u>678,326</u>
Total current assets	14,962,759	14,905,280
Assets limited as to use, net of current portion	1,009,131	986,277
Fixed assets, net	22,946,025	25,094,383
Property held for sale	1,081,662	1,289,894
Bond issuance costs, net	59,145	235,113
Investments, at fair value	12,255,793	13,833,046
Beneficial interest in trusts held by others and other assets	<u>356,459</u>	<u>1,550,919</u>
	<u>\$52,670,974</u>	<u>\$57,894,912</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Lines of credit	\$ 262,356	\$ 2,197,904
Accounts payable	1,879,211	1,907,743
Accrued expenses	4,162,793	4,251,482
Current portion of deferred revenue	1,131,777	858,258
Current portion of capital lease obligation	58,886	—
Current portion of interest rate swap agreements	442,045	615,570
Current portion of long-term debt	<u>745,011</u>	<u>4,228,339</u>
Total current liabilities	8,682,079	14,059,296
Deferred revenue, net of current portion	971,667	999,167
Other liabilities	1,010,108	987,185
Capital lease obligation, net of current portion	81,612	—
Interest rate swap agreements, less current portion	2,377,922	2,714,243
Long-term debt, less current portion	<u>19,363,038</u>	<u>18,976,300</u>
Total liabilities	32,486,426	37,736,191
Net assets:		
Unrestricted	14,685,373	14,189,337
Temporarily restricted	1,024,433	944,862
Permanently restricted	<u>4,474,742</u>	<u>5,024,522</u>
Total net assets	<u>20,184,548</u>	<u>20,158,721</u>
	<u>\$52,670,974</u>	<u>\$57,894,912</u>

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Public support and revenue:				
Public support:				
Contributions	\$ 612,565	\$ 853,731	\$ 14,300	\$ 1,480,596
Special events, net of related direct costs of \$1,047,735	67,806	1,415,710	—	1,483,516
Annual campaigns, net of related direct costs of \$104,418	399,236	32,906	—	432,142
Bequests	492,019	—	—	492,019
Net assets released from restrictions	<u>1,998,486</u>	<u>(1,998,486)</u>	<u>—</u>	<u>—</u>
Total public support	3,570,112	303,861	14,300	3,888,273
Revenue:				
Fees and grants from governmental agencies	71,965,474	—	—	71,965,474
Other fees and grants	24,111,552	—	—	24,111,552
Sales to public	4,375,698	—	—	4,375,698
Dividend and interest income	391,263	11,569	—	402,832
Rental income	33,929	—	—	33,929
Other	<u>124,778</u>	<u>—</u>	<u>—</u>	<u>124,778</u>
Total revenue	<u>101,002,694</u>	<u>11,569</u>	<u>—</u>	<u>101,014,263</u>
Total public support and revenue	104,572,806	315,430	14,300	104,902,536
Operating expenses:				
Program services:				
Public health education	410,886	—	—	410,886
Professional education	17,435	—	—	17,435
Direct services	<u>91,613,311</u>	<u>—</u>	<u>—</u>	<u>91,613,311</u>
Total program services	92,041,632	—	—	92,041,632
Supporting services:				
Management and general	9,785,646	—	—	9,785,646
Fundraising	<u>1,808,377</u>	<u>—</u>	<u>—</u>	<u>1,808,377</u>
Total supporting services	<u>11,594,023</u>	<u>—</u>	<u>—</u>	<u>11,594,023</u>
Total functional expenses	103,635,655	—	—	103,635,655
Support of National programs	<u>119,969</u>	<u>—</u>	<u>—</u>	<u>119,969</u>
Total operating expenses	<u>103,755,624</u>	<u>—</u>	<u>—</u>	<u>103,755,624</u>
Increase in net assets from operations	817,182	315,430	14,300	1,146,912

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS (CONTINUED)

Year Ended August 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Other nonoperating expenses, gains and losses:				
Change in fair value of interest rate swaps	\$ (227,568)	\$ —	\$ —	\$ (227,568)
Net unrealized and realized losses on investments	(407,029)	(223)	—	(407,252)
Decrease in fair value of beneficial interest in trusts held by others	—	—	(62,423)	(62,423)
Loss on sales and disposals of property, plant and equipment	(10,248)	—	—	(10,248)
Other nonoperating losses	<u>(128,854)</u>	<u>—</u>	<u>—</u>	<u>(128,854)</u>
	<u>(773,699)</u>	<u>(223)</u>	<u>(62,423)</u>	<u>(836,345)</u>
 Increase (decrease) in net assets before effects of discontinued operations	 43,483	 315,207	 (48,123)	 310,567
 (Loss) gain from discontinued operations – see note 13	 <u>(204,672)</u>	 <u>588</u>	 <u>—</u>	 <u>(204,084)</u>
 (Decrease) increase in net assets before effects of deconsolidation of affiliate	 (161,189)	 315,795	 (48,123)	 106,483
 Deconsolidation of affiliate – see note 12	 <u>657,225</u>	 <u>(236,224)</u>	 <u>(501,657)</u>	 <u>(80,656)</u>
 Total increase (decrease) in net assets	 496,036	 79,571	 (549,780)	 25,827
 Net assets at beginning of year	 <u>14,189,337</u>	 <u>944,862</u>	 <u>5,024,522</u>	 <u>20,158,721</u>
 Net assets at end of year	 <u>\$ 14,685,373</u>	 <u>\$ 1,024,433</u>	 <u>\$ 4,474,742</u>	 <u>\$ 20,184,548</u>

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Public support and revenue:				
Public support:				
Contributions	\$ 744,262	\$ 542,179	\$ 13,813	\$ 1,300,254
Special events, net of related direct costs of \$819,901	1,059,080	756,895	—	1,815,975
Annual campaigns, net of related direct costs of \$67,889	468,261	33,589	—	501,850
Bequests	448,558	—	—	448,558
Net assets released from restrictions	<u>1,356,595</u>	<u>(1,356,595)</u>	<u>—</u>	<u>—</u>
Total public support	4,076,756	(23,932)	13,813	4,066,637
Revenue:				
Fees and grants from governmental agencies	67,725,297	—	—	67,725,297
Other fees and grants	25,094,296	—	—	25,094,296
Sales to public	4,270,196	—	—	4,270,196
Dividend and interest income	742,337	3,613	—	745,950
Rental income	65,204	—	—	65,204
Other	<u>459,188</u>	<u>—</u>	<u>—</u>	<u>459,188</u>
Total revenue	<u>98,356,518</u>	<u>3,613</u>	<u>—</u>	<u>98,360,131</u>
Total public support and revenue	102,433,274	(20,319)	13,813	102,426,768
Operating expenses:				
Program services:				
Public health education	515,992	—	—	515,992
Professional education	29,065	—	—	29,065
Direct services	<u>89,987,134</u>	<u>—</u>	<u>—</u>	<u>89,987,134</u>
Total program services	90,532,191	—	—	90,532,191
Supporting services:				
Management and general	9,419,570	—	—	9,419,570
Fundraising	<u>2,006,939</u>	<u>—</u>	<u>—</u>	<u>2,006,939</u>
Total supporting services	<u>11,426,509</u>	<u>—</u>	<u>—</u>	<u>11,426,509</u>
Total functional expenses	101,958,700	—	—	101,958,700
Support of National programs	<u>122,586</u>	<u>—</u>	<u>—</u>	<u>122,586</u>
Total operating expenses	<u>102,081,286</u>	<u>—</u>	<u>—</u>	<u>102,081,286</u>
Increase (decrease) in net assets from operations	351,988	(20,319)	13,813	345,482

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS (CONTINUED)

Year Ended August 31, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Other nonoperating expenses, gains and losses:				
Change in fair value of interest rate swaps	\$ (594,854)	\$ —	\$ —	\$ (594,854)
Net unrealized and realized gains on investments	1,496,964	37,986	—	1,534,950
Increase in fair value of beneficial interest in trusts held by others	—	—	574,970	574,970
Gain on sales and disposals of property, plant and equipment	14,352	—	—	14,352
Other nonoperating losses	<u>(249,092)</u>	<u>—</u>	<u>—</u>	<u>(249,092)</u>
	<u>667,370</u>	<u>37,986</u>	<u>574,970</u>	<u>1,280,326</u>
Increase in net assets before effects of discontinued operations	1,019,358	17,667	588,783	1,625,808
(Loss) gain from discontinued operations – see note 13	<u>(1,476,117)</u>	<u>1,958</u>	<u>—</u>	<u>(1,474,159)</u>
(Decrease) increase in net assets before effects of deconsolidation of affiliate	(456,759)	19,625	588,783	151,649
Deconsolidation of affiliate – see note 12	<u>(121,612)</u>	<u>(200)</u>	<u>(5,719,267)</u>	<u>(5,841,079)</u>
Total (decrease) increase in net assets	(578,371)	19,425	(5,130,484)	(5,689,430)
Net assets at beginning of year	<u>14,767,708</u>	<u>925,437</u>	<u>10,155,006</u>	<u>25,848,151</u>
Net assets at end of year	<u>\$ 14,189,337</u>	<u>\$ 944,862</u>	<u>\$ 5,024,522</u>	<u>\$ 20,158,721</u>

See accompanying notes.

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Total Program⁽¹⁾
and Supporting
Services Expenses

(1) Excludes expenses related to discontinued operations – see note 13.

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EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2014

	Program Services ⁽¹⁾			Supporting Services ⁽¹⁾			Total Program ⁽¹⁾ and Supporting Services Expenses	
	Public Health Education	Profes- sional Education	Direct Services	Total	Manage- ment and General	Fund- Raising		Total
Salaries and related expenses	\$377,333	\$ -	\$68,675,876	\$69,053,209	\$6,215,011	\$1,585,198	\$ 7,800,209	\$ 76,853,418
Professional fees	20,447	-	7,603,267	7,623,714	1,739,786	144,242	1,884,028	9,507,742
Supplies	5,348	-	2,573,547	2,578,895	70,007	29,342	99,349	2,678,244
Telephone	2,103	-	546,513	548,616	306,174	12,483	318,657	867,273
Postage and shipping	5,776	-	60,188	65,964	37,433	9,607	47,040	113,004
Occupancy	13,740	-	3,567,064	3,580,804	382,641	116,960	499,601	4,080,405
Outside printing, artwork and media	44,572	-	45,428	90,000	6,951	30,076	37,027	127,027
Travel	5,695	-	2,515,521	2,521,216	47,958	25,749	73,707	2,594,923
Conventions and meetings	36,240	29,065	208,482	273,787	57,207	39,580	96,787	370,574
Specific assistance to individuals	(1)	-	1,232,641	1,232,640	12,820	-	12,820	1,245,460
Dues and subscriptions	-	-	23,206	23,206	14,917	2,716	17,633	40,839
Minor equipment purchases and equipment rental	537	-	256,918	257,455	106,538	5,663	112,201	369,656
Ads, fees and miscellaneous	4,075	-	30,638	34,713	5,316	3,747	9,063	43,776
Interest	-	-	934,985	934,985	241,231	-	241,231	1,176,216
Facility tax assessment	-	-	182,791	182,791	-	-	-	182,791
Depreciation and amortization	127	-	1,530,069	1,530,196	175,580	1,576	177,156	1,707,352
	<u>\$515,992</u>	<u>\$29,065</u>	<u>\$89,987,134</u>	<u>\$90,532,191</u>	<u>\$9,419,570</u>	<u>\$2,006,939</u>	<u>\$11,426,509</u>	<u>\$ 101,958,700</u>
	0.51%	0.03%	88.26%	88.80%	9.24%	1.96%	11.20%	100.00%

⁽¹⁾ Excludes expenses related to discontinued operations – see note 13.

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended August 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 25,827	\$ (5,689,430)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation and amortization	1,880,579	1,771,703
Bad debt provision (benefit)	1,350,516	(265,007)
Decrease (increase) in fair value of beneficial interest in trusts held by others	62,423	(574,970)
Net loss on sales and disposals of property, plant and equipment and property held for sale and impairment losses	62,958	125,346
Change in fair value of interest rate swaps	227,568	594,855
Net unrealized and realized losses (gains) on investments	407,252	(1,534,950)
Deconsolidation of affiliates – see note 12	80,656	5,841,079
Changes in operating assets and liabilities:		
Accounts receivable from affiliates	(84,823)	(94,182)
Program and other accounts receivable	(1,096,689)	1,348,396
Contributions receivable	(109,179)	(20,090)
Prepaid expenses and other current assets	(739,716)	102,454
Other assets	597,247	81,516
Accounts payable and accrued expenses	1,862,708	304,390
Deferred revenue	741,405	(61,478)
Other liabilities	<u>22,923</u>	<u>(380,273)</u>
Net cash provided by operating activities	5,291,655	1,549,359
Cash flows from investing activities:		
Purchases of property, plant and equipment	(7,095,514)	(1,244,361)
Proceeds from sale of property, plant and equipment and property held for sale	218,514	15,225
Cash provided for deconsolidation of affiliate	(812,975)	(21,440)
Decrease in investments, net	463,159	1,709,413
Change in assets limited as to use	<u>(37,873)</u>	<u>265,625</u>
Net cash (used) provided by investing activities	(7,264,689)	724,462
Cash flows from financing activities:		
Repayment of long-term debt	(971,570)	(825,393)
Issuance of long-term debt	4,636,600	280,575
Repayments on lines of credit	(26,490,368)	(53,526,692)
Borrowings on lines of credit	<u>27,656,333</u>	<u>51,512,202</u>
Net cash provided (used) by financing activities	<u>4,830,995</u>	<u>(2,559,308)</u>
Increase (decrease) in cash and cash equivalents	2,857,961	(285,487)
Cash and cash equivalents, beginning of year	<u>2,757,134</u>	<u>3,042,621</u>
Cash and cash equivalents, end of year	\$ <u>5,615,095</u>	\$ <u>2,757,134</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

Years Ended August 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Supplemental disclosure of cash flow information:		
Interest paid	<u>\$ 1,301,000</u>	<u>\$ 1,201,000</u>

In 2015, Easter Seals NH acquired fixed assets under capital leases totaling \$259,604.

In 2015 and 2014, Easter Seals New Hampshire, Inc. transferred its sole member interest in Easter Seals New York, Inc. and Easter Seals Connecticut, Inc., respectively, to unrelated parties (see note 12). During 2014, Easter Seals New Hampshire, Inc. transferred property with a net carrying value of \$607,088 from fixed assets to property held for sale.

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

1. Corporate Organization and Purpose

Easter Seals New Hampshire, Inc. and Subsidiaries (Easter Seals NH) consists of various separate nonprofit entities: Easter Seals New Hampshire, Inc. (parent and service corporation); Easter Seals New York, Inc. (Easter Seals NY); Easter Seals Maine, Inc. (Easter Seals ME); Easter Seals Rhode Island, Inc. (Easter Seals RI); Agency Realty, Inc. (real estate corporation); The Harbor Schools Incorporated (Harbor Schools); Manchester Alcoholism Rehabilitation Center; and Easter Seals Vermont, Inc. (Easter Seals VT). Easter Seals New Hampshire, Inc. is the sole member of each subsidiary. Easter Seals NH is affiliated with Easter Seals, Inc. (the national headquarters for the organization).

On August 31, 2015, Easter Seals NH entered into an agreement with Fedcap Rehabilitation Services, Inc. (Fedcap), an unrelated entity, whereby Easter Seals NH agreed to transfer its sole member interest in Easter Seals NY to Fedcap for no consideration. Additionally, on July 31, 2014, Easter Seals NH entered into an agreement with The Connecticut Institute for the Blind, Inc. d/b/a Oak Hill (Oak Hill), an unrelated entity, whereby Easter Seals NH agreed to transfer its sole member interest in Easter Seals CT to Oak Hill for no consideration. See also note 12. The accompanying consolidated statements of activities include the results of operations of Easter Seals NY and Easter Seals CT through the date Easter Seals NH's sole member interest was transferred.

On January 25, 2012, the Board of Directors of Easter Seals NH voted to close Harbor Schools and cease all operations of this subsidiary. On June 11, 2014, the Board of Directors of Easter Seals NH voted to discontinue the Pediatric Outpatient programs located in Manchester and Dover due to significant losses the programs were experiencing. See also note 13.

Easter Seals NH's purpose is to provide (1) programs and services for people with disabilities and other special needs, (2) assistance to people with disabilities and their families, (3) assistance to communities in identifying and developing needed services for residents, and (4) a climate of acceptance for people with disabilities and other special needs which will enable them to contribute to the well-being of the community. Easter Seals NH operates programs throughout New Hampshire, New York (prior to deconsolidation), Maine, Massachusetts (prior to the closure of Harbor Schools), Rhode Island, Vermont and Connecticut (prior to deconsolidation).

2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Easter Seals New Hampshire, Inc. and the subsidiaries of which it is the sole member. Significant intercompany accounts and transactions have been eliminated in consolidation.

Cash and Cash Equivalents

Easter Seals NH considers all highly liquid securities purchased with an original maturity of 90 days or less to be cash equivalents. Cash equivalents consist of cash, overnight repurchase agreements and money market funds, excluding assets limited as to use.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

2. Summary of Significant Accounting Policies (Continued)

The management of Easter Seals NH has implemented a practice to establish cash reserves on hand. Approximately \$2,811,000 and \$2,483,000, respectively, of cash and cash equivalents, and approximately \$1,322,000 and \$2,512,000, respectively, of investments were on-hand under this practice as of August 31, 2015 and 2014, respectively.

Assets Limited as to Use and Investments

Assets limited as to use consists of cash and cash equivalents, short-term certificates of deposit with original maturities greater than 90 days, but less than one year, and investments. Investments are stated at fair value. Realized gains and losses on investments are computed on a specific identification basis. The changes in net unrealized and realized gains and losses on investments are recorded in other nonoperating expenses, gains and losses in the accompanying consolidated statements of activities and changes in net assets. Donated securities are stated at fair value determined at the date of donation.

Beneficial Interest in Trusts

Easter Seals NH is the beneficiary of several trusts held by others. Easter Seals NH has recorded as an asset the fair value of its interest in the trusts and such amount is included in permanently restricted net assets, based on the underlying donor stipulations. The change in the interest due to fair value change is recorded within other nonoperating expenses, gains and losses as permanently restricted activity.

Fixed Assets

Fixed assets are recorded at cost less accumulated depreciation and amortization. Expenditures for maintenance and repairs are charged to expense as incurred, and expenditures for major renovations are capitalized. Depreciation is computed on the straight-line method over the estimated useful lives of the underlying assets. Leasehold improvements and the carrying value of equipment financed by capital leases are amortized using the straight-line method over the shorter of the lease term or the estimated useful life of the asset.

Fixed assets obtained by Easter Seals NH as a result of acquisitions on or after September 1, 2011 are recorded at estimated fair value as of the date of the acquisition in accordance with generally accepted accounting principles guidance for acquisitions by a not-for-profit entity.

Donated property and equipment not subject to donor stipulated conditions is recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support or, if significant uncertainties exist, as deferred revenue pending resolution of the uncertainties. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. See also note 5.

Property held for sale is recorded at the lower of net realizable value or carrying value. Easter Seals NH recognized impairment losses on property held for sale of \$139,698 in 2014, which is recorded in other nonoperating losses. No impairment losses were recognized in 2015.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

2. Summary of Significant Accounting Policies (Continued)

Intangible Assets and Long-Lived Assets

Accounting rules require that intangible assets with estimable or determinable useful lives be amortized over their respective estimated useful lives to their estimated residual values, and be reviewed by management for impairment. Intangible assets at August 31, 2015 and 2014 consist of a patient list obtained in the acquisition of Webster Place.

Expected amortization of intangible assets through the end of their useful lives is as follows:

2016	\$ 33,130
2017	33,130
2018	33,130
2019	33,130
2020	33,130
Thereafter	<u>33,132</u>
	<u>\$198,782</u>

Amortization expense recognized for the patient list in 2015 and 2014 totaled \$33,130.

When there is an indication of impairment, management considers whether long-lived assets are impaired by comparing gross future undiscounted cash flows expected to be generated from utilizing the assets to their carrying amounts. If cash flows are not sufficient to recover the carrying amount of the assets, impairment has occurred and the assets are written down to their fair value. Significant estimates and assumptions are required to be made by management in order to evaluate possible impairment.

Based on current facts, estimates and assumptions, management believes that no long-lived assets were impaired at August 31, 2015 and 2014.

Bond Issuance Costs

Bond issuance costs are being amortized by the straight-line method over the repayment period of the related bonds, or the expected time until the next refinancing, whichever is shorter. Amortization expense recognized during 2015 and 2014 was \$9,638.

Revenue Recognition

Revenue generated from services provided to the public is reported at the estimated net realizable amounts from clients, third-party payors and others based upon approved rates as services are rendered. A significant portion of Easter Seals NH's revenues are derived through arrangements with third-party payors. As such, Easter Seals NH is dependent on these payors in order to carry out its operating activities. There is at least a reasonable possibility that recorded estimates could change by a material amount in the near term. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in other fees and grants in the year that such amounts become known. Easter Seals NY recognized additional revenue of approximately \$17,000 in 2015 and \$8,000 in 2014 due to favorable rate adjustments approved by the State of New York.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

2. Summary of Significant Accounting Policies (Continued)

A third-party payor for three Easter Seals NY programs charged a facility tax assessment on a monthly basis in 2015 and 2014. The charges are a part of Easter Seals NY's reimbursement contract with the payor. The facility tax assessment is based on approved rates. As of August 31, 2015 and 2014, the facility tax assessment due by Easter Seals NY was approximately \$95,000 and \$136,000, respectively. See also Note 12 regarding the deconsolidation of Easter Seals NY on August 31, 2015.

Revenues are recognized as earned, or attributable to the period in which specific terms of the funding agreement are satisfied, and to the extent that expenses have been incurred for the purposes specified by the funding source. Revenue balances in excess of the foregoing amounts are accounted for as deferred revenue until any restrictions are met or allowable expenditures are incurred.

The allowance for doubtful accounts is provided based on an analysis by management of the collectibility of outstanding balances. Management considers the age of outstanding balances and past collection efforts in determining the allowance for doubtful accounts. Accounts are charged against the allowance for doubtful accounts when deemed uncollectible. The bad debt provision (benefit) in 2015 and 2014 totaled \$1,350,516 and \$(265,007), respectively. The increase in bad debt provision in 2015 is attributed to greater volume in certain payor classes at Manchester Alcoholism Rehabilitation Center. Contractual allowances for program and other accounts receivable at August 31, 2015 and 2014 were \$1,896,800 and \$218,900, respectively. The increase in contractual allowances in 2015 was due to a higher volume of services provided at Manchester Alcoholism Rehabilitation Center being covered by third-party payors.

Unconditional contributions are recognized when pledged.

Advertising

Easter Seals NH's policy is to expense advertising costs as incurred.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying consolidated statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services based mainly on time records and estimates made by Easter Seals NH's management.

Charity Care (Unaudited)

Easter Seals NH has a formal charity care policy under which program fees are subsidized as determined by the Board of Directors. Free and subsidized services are rendered in accordance with decisions made by the Board of Directors and, at established charges, amounted to approximately \$6,262,000 and \$6,802,000 for the years ended August 31, 2015 and 2014, respectively.

Income Taxes

Easter Seals New Hampshire, Inc., Easter Seals NY, Easter Seals ME, Easter Seals VT, Easter Seals RI, Harbor Schools, Manchester Alcoholism Rehabilitation Center and Easter Seals CT are exempt from both federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and, for Easter Seals NY of the Not-for-Profit Corporation Law of the State of New York. Agency Realty, Inc. received a determination letter from the Internal Revenue Service stating that it qualifies for tax-exempt status under Section 501(c)(2) of the Internal Revenue Code.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

2. Summary of Significant Accounting Policies (Continued)

Tax-exempt organizations could be required to record an obligation for income taxes as the result of a tax position historically taken on various tax exposure items including unrelated business income or tax status. In accordance with accounting principles generally accepted in the United States of America, assets and liabilities are established for uncertain tax positions taken or positions expected to be taken in income tax returns when such positions are judged to not meet the "more-likely-than-not" threshold, based upon the technical merits of the position.

Management has evaluated tax positions taken by Easter Seals New Hampshire, Inc. and its subsidiaries on their respective filed tax returns and concluded that the organizations have maintained their tax-exempt status, do not have any significant unrelated business income, and have taken no uncertain tax positions that require adjustment to or disclosure in the accompanying consolidated financial statements. Easter Seals New Hampshire, Inc. and its subsidiaries are no longer subject to income tax examinations by the federal or state tax authorities for years prior to 2012.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Derivatives and Hedging Activities

Accounting guidance requires that Easter Seals NH record as an asset or liability the fair value of the interest rate swap agreements described in note 8. Easter Seals NH is exposed to repayment loss equal to the net amounts receivable under the swap agreements (not the notional amount) in the event of nonperformance of the other party to the swap agreements. However, Easter Seals NH does not anticipate nonperformance and does not obtain collateral from the other party.

As of August 31, 2015 and 2014, Easter Seals NH had recognized a liability of \$2,819,967 and \$3,329,813, respectively, as a result of the interest rate swap agreements discussed in note 8. As a result of changes in the fair value of these derivative financial instruments, Easter Seals NH recognized decreases in net assets of \$227,568 and \$594,854, respectively, for the years ended August 31, 2015 and 2014 in the accompanying consolidated statements of activity and changes in net assets.

Increase (Decrease) in Net Assets from Operations

For purposes of display, transactions deemed by management to be ongoing, major or central to the provision of services are reported as revenue and expenses that comprise the increase (decrease) in net assets from operations. The primary transactions reported as other nonoperating expenses, gains and losses include the adjustment to fair value of interest rate swaps, the increase in the fair value of beneficial interest in trusts held by others, gains and losses on sales and disposals of property, plant and equipment, and net realized and unrealized gains on investments.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

2. Summary of Significant Accounting Policies (Continued)

Recent Accounting Pronouncements

In April 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) ASU No. 2015-03, *Interest – Imputation of Interest: Simplifying the Presentation of Debt Issuance Costs* (ASU 2015-03). ASU 2015-03 simplifies the presentation of debt issuance costs and requires that the debt issuance costs related to a recognized debt liability be presented in the statement of financial position as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. ASU 2015-03 is effective for Easter Seals NH's fiscal year ending August 31, 2017, with early adoption permitted. The management of Easter Seals NH is currently evaluating the impact of the pending adoption of ASU 2015-03 on Easter Seals NH's consolidated financial statements.

In April 2014, the FASB issued ASU 2014-08, *Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360)*. The amendments change the criteria for reporting discontinued operations, while enhancing disclosures in this area. Those amendments also address sources of confusion and inconsistent application related to financial reporting of discontinued operations guidance in accounting principles generally accepted in the United States. Under the new guidance, only disposals representing a strategic shift in operations are presented as discontinued operations. Those strategic shifts should have a major effect on the organization's operations and financial results. Examples include a disposal of a major geographic area, a major line of business, or a major equity method investment. In addition, the new guidance requires expanded disclosures about discontinued operations that will provide financial statement users with more information about the assets, liabilities, income, and expenses of discontinued operations. The guidance of the ASU will be effective for Easter Seals NH's fiscal year ending August 31, 2016. The management of Easter Seals NH is currently evaluating the impact of the pending adoption of ASU 2014-08 on Easter Seals NH's consolidated financial statements.

Reclassifications

Certain 2014 amounts have been reclassified to permit comparison with the 2015 consolidated financial statements presentation format.

Subsequent Events

Events occurring after the statement of financial position date are evaluated by management to determine whether such events should be recognized or disclosed in the consolidated financial statements. Management has evaluated events occurring between the end of Easter Seals NH's fiscal year end and December 10, 2015, the date these consolidated financial statements were available to be issued.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

3. Classification of Net Assets

In accordance with the *Uniform Prudent Management of Institutional Funds Act* (UPMIFA), net assets are classified and reported based on the existence or absence of donor-imposed restrictions. Gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of donated assets. Temporarily restricted net assets are those whose use by Easter Seals NH has been limited by donors to a specific time period or purpose. When a donor restriction expires (when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of activities and changes in net assets as net assets released from restrictions. Permanently restricted net assets have been restricted by donors to be maintained by Easter Seals NH in perpetuity, the income from which is expendable to support all activities of the organization, or as stipulated by the donor.

Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated financial statements.

In accordance with UPMIFA, Easter Seals NH considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (a) the duration and preservation of the fund; (b) the purpose of the organization and the donor-restricted endowment fund; (c) general economic conditions; (d) the possible effect of inflation and deflation; (e) the expected total return from income and the appreciation of investments; (f) other resources of the organization; and (g) the investment policies of the organization.

Endowment Net Asset Composition by Type of Fund

The major categories of endowment funds at August 31, 2015 and 2014 are as follows:

	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
<u>2015</u>			
Camping program	\$ 2,464	\$ 364,869	\$ 367,333
Other programs	11,088	367,319	378,407
Operations	<u>—</u>	<u>3,613,207</u>	<u>3,613,207</u>
Total endowment net assets	<u>\$ 13,552</u>	<u>\$ 4,345,395</u>	<u>\$ 4,358,947</u>
<u>2014</u>			
Camping program	\$ 3,072	\$ 364,869	\$ 367,941
Other programs	33,332	353,019	386,351
Operations	<u>—</u>	<u>3,613,207</u>	<u>3,613,207</u>
Total endowment net assets	<u>\$ 36,404</u>	<u>\$ 4,331,095</u>	<u>\$ 4,367,499</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

3. Classification of Net Assets (Continued)

Changes in Endowment Net Assets

During the years ended August 31, 2015 and 2014, Easter Seals NH had the following endowment-related activities:

	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Net endowment assets, August 31, 2013	\$ 20,831	\$4,317,279	\$4,338,110
Investment return:			
Investment income, net of fees	22,617	—	22,617
Net appreciation (realized and unrealized)	970,963	—	970,963
Contributions	—	13,816	13,816
Appropriated for expenditure	<u>(978,007)</u>	<u>—</u>	<u>(978,007)</u>
Net endowment assets, August 31, 2014	36,404	4,331,095	4,367,499
Investment return:			
Investment income, net of fees	35,554	—	35,554
Net appreciation (realized and unrealized)	639,357	—	639,357
Contributions	—	14,300	14,300
Appropriated for expenditure	<u>(697,763)</u>	<u>—</u>	<u>(697,763)</u>
Net endowment assets, August 31, 2015	<u>\$ 13,552</u>	<u>\$4,345,395</u>	<u>\$4,358,947</u>

In addition to endowment net assets, Easter Seals NH also maintains non-endowed funds. The major categories of non-endowment funds, at August 31, 2015 and 2014 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted (See Note 11)</u>	<u>Total Non- Endowment Net Assets</u>
<u>2015</u>				
Seniors program	\$ 158,256	\$ 6,107	\$ —	\$ 164,363
Veterans program	132,433	760,869	—	893,302
Other programs	—	210,980	—	210,980
Operations	<u>14,394,684</u>	<u>32,925</u>	<u>129,347</u>	<u>14,556,956</u>
Total non-endowment net assets	<u>\$14,685,373</u>	<u>\$1,010,881</u>	<u>\$129,347</u>	<u>\$15,825,601</u>
<u>2014</u>				
Seniors program	\$ —	\$ 23,866	\$ —	\$ 23,866
Veterans program	263,880	9,702	—	273,582
India initiative	104,600	668,198	—	772,798
Other programs	—	174,192	—	174,192
Operations	<u>13,820,857</u>	<u>32,500</u>	<u>693,427</u>	<u>14,546,784</u>
Total non-endowment net assets	<u>\$14,189,337</u>	<u>\$ 908,458</u>	<u>\$693,427</u>	<u>\$15,791,222</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

3. Classification of Net Assets (Continued)

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires Easter Seals NH to retain as a fund of permanent duration. Deficiencies of this nature are reported in unrestricted net assets. There were no deficiencies between the fair value of the investments of the endowment funds and the level required by donor stipulation at August 31, 2015 or 2014.

Investment and Spending Policies

Easter Seals NH has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that Easter Seals NH must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of an appropriate market index while assuming a moderate level of investment risk. Easter Seals NH expects its endowment funds to provide an average rate of return over a five year period equal to the rate of 2% over the inflation rate. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, Easter Seals NH relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Easter Seals NH targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Easter Seals NH may appropriate for distribution some or all of the earnings and appreciation on its endowment for funding of operations. In establishing this policy, Easter Seals NH considered the objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to, so long as it would not detract from Easter Seals NH's critical goals and initiatives, provide additional real growth through new gifts and investment return.

4. Leases

Operating

Easter Seals NH leases certain assets under various arrangements which have been classified as operating leases. Total expense under all leases (including month-to-month leases) was approximately \$2,104,000 and \$2,420,000 for the years ended August 31, 2015 and 2014, respectively. Some of these leases have terms which include renewal options, and others may be terminated at Easter Seals NH's option without substantial penalty. Future minimum payments required under the leases in effect at August 31, 2015, through the remaining contractual term of the underlying lease agreements, are as follows:

Year Ended August 31:

2016	\$863,060
2017	536,361
2018	277,729
2019	106,124
2020	21,237

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

4. Leases (Continued)

Easter Seals NY subleases certain office space located at 11 West 42nd Street in New York to an unrelated party. The sublease agreement expired in February 2014. Total rental income earned under this sublease agreement for the year ended August 31, 2014 was approximately \$65,000.

Capital

In 2015, Easter Seals NH entered into a three year lease agreement with a bank for certain computer equipment. Rent expense under this agreement for the year ended August 31, 2015 was \$38,321. The carrying value of assets recorded under the capital lease totaled \$134,095, net of accumulated amortization of \$44,724, at August 31, 2015. Amortization expense related to the above capital lease is a component of depreciation expense in the accompanying 2015 consolidated statement of functional expenses. Interest expense recognized on the capital lease in 2015 was insignificant.

Future minimum payments required for the above capital lease at August 31, 2015 are as follows:

2016	\$58,886
2017	60,617
2018	20,995

5. Fixed Assets

Fixed assets consist of the following at August 31:

	<u>2015</u>	<u>2014</u>
Buildings	\$ 25,247,764	\$ 27,225,674
Land and land improvements	2,897,690	2,696,051
Leasehold improvements	140,663	997,631
Office equipment and furniture	8,416,695	9,679,631
Vehicles	2,936,154	3,250,383
Construction in progress	<u>66,541</u>	<u>296,043</u>
	39,705,507	44,145,413
Less accumulated depreciation and amortization	<u>(16,759,482)</u>	<u>(19,051,030)</u>
	<u>\$ 22,946,025</u>	<u>\$ 25,094,383</u>

Depreciation and amortization expense related to fixed assets totaled \$1,837,811 and \$1,728,935 in 2015 and 2014, respectively. Depreciation and amortization of fixed assets included within discontinued operations in 2015 and 2014 totaled \$3,825 and \$64,351, respectively.

During 2012, Easter Seals NH received a donated building with an estimated fair value of approximately \$1,100,000. Under the terms of the donation, for a period of six years, Easter Seals NH must continue to use the building as a child care center. Should Easter Seals NH cease to operate the program, or wish to sell or donate the property, Easter Seals NH must first provide the donor with the opportunity to purchase the property for \$1. The contribution representing the fair value of the building has been recorded as deferred revenue at August 31, 2015 and 2014.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

6. Investments and Assets Limited as to Use

Investments and assets limited as to use, at fair value, are as follows at August 31:

	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 452,024	\$ 523,616
Marketable equity securities	1,552,683	1,883,153
Mutual funds	10,636,952	11,634,793
Corporate and foreign bonds	620,550	711,063
Government and agency securities	<u>317,780</u>	<u>366,744</u>
	13,579,989	15,119,369
Less: assets limited as to use	<u>(1,324,196)</u>	<u>(1,286,323)</u>
Total investments, at fair value	<u>\$12,255,793</u>	<u>\$13,833,046</u>

The composition of assets limited as to use at August 31, 2015 and 2014 is set forth in the table shown below at fair value. The portion of assets limited as to use that is required for obligations classified as current liabilities is reported in current assets.

	<u>2015</u>	<u>2014</u>
Under a deferred compensation plan (see note 7):		
Investments	\$1,009,131	\$ 986,277
Maintained in escrow to make required payments on certain bonds (see note 8):		
Cash and cash equivalents	<u>315,065</u>	<u>300,046</u>
Total assets limited as to use	<u>\$1,324,196</u>	<u>\$1,286,323</u>

The principal components of investment income and net realized and unrealized gains included in continuing operations and other nonoperating expenses, gains and losses are summarized below.

	<u>2015</u>	<u>2014</u>
Unrestricted investment income and unrealized and realized gains (losses) on investments:		
Dividend and interest income	\$ 391,263	\$ 742,337
Net unrealized (losses) gains	(686,996)	668,363
Net realized gains	<u>279,967</u>	<u>828,601</u>
	(15,766)	2,239,301
Restricted investment income and unrealized and realized gains (losses) on investments:		
Dividend and interest income	11,569	3,613
Net unrealized (losses) gains	(28,827)	20,109
Net realized gains	<u>28,604</u>	<u>17,877</u>
	<u>11,346</u>	<u>41,599</u>
	<u>\$ (4,420)</u>	<u>\$2,280,900</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

7. Retirement Plans

Easter Seals NH maintains a Section 403(b) Plan (a defined contribution retirement plan), which covers substantially all employees. Eligible employees may contribute any whole percentage of their annual salary. Employee contributions may be matched by Easter Seals NH as determined in the annual budget. The combined amount of employer and employee contributions is subject by law to annual maximum amounts. The employer match was approximately \$546,000 and \$673,000 for the years ended August 31, 2015 and 2014, respectively.

Easter Seals New Hampshire, Inc. offers, to certain management personnel, the option to participate in an Internal Revenue Code Section 457 Deferred Compensation Plan to which the organization may make a discretionary contribution. The employees' accounts are not available until termination, retirement, death or an unforeseeable emergency. Easter Seals New Hampshire, Inc. contributed approximately \$85,000 and \$128,000 to this plan during the years ended August 31, 2015 and 2014, respectively. The assets and liabilities associated with this plan were \$1,009,131 and \$986,277 at August 31, 2015 and 2014, respectively, and are included within assets limited as to use and other liabilities in the accompanying consolidated statements of financial position.

8. Borrowings

Borrowings consist of the following at August 31:

	<u>2015</u>	<u>2014</u>
Revenue Bonds, Series 2004A, tax exempt, issued through the New Hampshire Health and Education Facilities Authority (NHHEFA), with a variable rate determined through weekly remarketing (0.03% at August 31, 2015) through December 2034, annual principal payments continually increasing from \$420,000 to \$1,060,000 with a final payment of \$1,060,000 due December 2034, secured by a pledge of all gross receipts of Easter Seals NH and certain letters of credit (see below)	\$13,875,000	\$14,275,000
Revenue Bonds, Series 2010, issued through the Monroe County Industrial Development Corporation, monthly principal and interest payments ranging from \$10,650 to \$21,980 are required through the maturity date of December 31, 2040. Interest is payable monthly at a rate equal to 68% of the sum of the monthly LIBOR rate plus 2.65% (see deconsolidation of affiliate – note 12)	–	4,929,360
Non-revolving note payable to a bank with a total availability of \$3,500,000 with a variable rate of LIBOR plus 4.07% (4.27% at August 31, 2015), interest only payments through June 2015, after which monthly principal and interest payments are required through the maturity in June 2018, secured by an interest in certain property with a net book value of \$3,799,172 at August 31, 2015	3,377,160	3,482,580
Unsecured note payable to an individual with a fixed rate of 5.25%, principal and interest of \$10,311 payable monthly, due April 2016	80,847	197,002
Note payable to a bank with a fixed rate of 3.66%, principal and interest of \$3,177 payable monthly, paid in full in August 2015	–	37,353

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

8. Borrowings (Continued)

	<u>2015</u>	<u>2014</u>
Various notes payable to a bank with fixed interest rates ranging from 2.24% to 2.50%, various principal and interest payments ranging from \$144 to \$2,923 payable monthly through dates ranging from September 2018 through March 2020, secured by vehicles with a net book value of \$346,760 at August 31, 2015	\$ 315,440	\$ 283,344
Mortgage note payable to a bank with a fixed rate of 4.25%. Principal and interest of \$12,200 payable monthly, due February 2030, secured by an interest in certain property with a net book value of \$3,304,776 at August 31, 2015	<u>2,459,602</u>	<u>—</u>
	20,108,049	23,204,639
Less current portion	<u>745,011</u>	<u>4,228,339</u>
	<u>\$19,363,038</u>	<u>\$18,976,300</u>

Principal payments on long-term debt for each of the following years ending August 31 are as follows:

2016	\$ 745,011
2017	693,186
2018	3,749,484
2019	572,502
2020	566,120
Thereafter	<u>13,781,746</u>
	<u>\$20,108,049</u>

Lines of Credit and Other Financing Arrangements

Easter Seals New Hampshire, Inc. had an agreement with a bank for a \$500,000 nonrevolving equipment line of credit. The line of credit was used to fund the purchase of New Hampshire titled vehicles for use by Easter Seals NH through April 2, 2014. The interest rate charged on outstanding borrowings was at a fixed rate at the then prime rate minus 0.75% for maturities up to a five-year term. Upon maturity of this agreement, the balances outstanding under the note payable at August 31, 2014 were converted to various term notes secured by vehicles, as described above. Included in long-term debt are seven notes payable totaling \$182,756 and \$283,344 at August 31, 2015 and 2014, respectively.

Easter Seals New Hampshire, Inc. also has an agreement with a bank for a \$500,000 revolving equipment line, which can be used to fund the purchase of New Hampshire titled vehicles for use by Easter Seals NH through June 2017. Advances are converted to term notes as utilized. The interest rate charged on outstanding borrowings is at a fixed rate equal to the then Business Vehicle Rate at the time of the advance for maturities up to a five year term. Included in long-term debt are ten notes payable totaling \$132,684 at August 31, 2015 that originated under this agreement. Availability under this agreement at August 31, 2015 is \$367,316.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

8. Borrowings (Continued)

Easter Seals New Hampshire, Inc. (the sole member of Easter Seals NY, through its deconsolidation on August 31, 2015, and Harbor Schools), Easter Seals NY and Harbor Schools have a revolving line of credit with a bank through September 1, 2015, with available borrowings up to \$7 million (a portion of which is secured by available letters of credit of \$59,000). Outstanding advances are due on demand. The revolving line of credit has the following sub-limits which were last amended in October 2014: Easter Seals NH \$3.225 million, Easter Seals NY \$3.5 million and Harbor Schools \$275,000. The interest rate charged on outstanding borrowings is at LIBOR plus 2.25% (2.45% at August 31, 2015). Under an event of default, the interest rate will increase from LIBOR plus 2.25% to LIBOR plus 5.25%. The line is secured by a first priority interest in all business assets of Easter Seals New Hampshire, Inc., Easter Seals NY and Harbor Schools. The agreement requires that collective borrowings under the line of credit be reduced to \$3,500,000 for 30 consecutive days during each calendar year. The agreement also limits each borrower's ability to incur additional indebtedness in excess of \$500,000. Amounts outstanding under this revolving line of credit agreement at August 31, 2015 and 2014 were \$262,356, for both years, related to Harbor Schools, and \$1,935,548 at August 31, 2014 related to Easter Seals NY (see deconsolidation of affiliate – note 12). All outstanding balances were paid off on September 1, 2015, (subsequent to year end), and this line of credit was replaced with that described below.

On August 31, 2015, Easter Seals NH entered into a revolving line of credit with a bank. Borrowing availability is up to \$4 million (a portion of which is secured by available letters of credit of \$59,000). Outstanding advances are due on demand. The interest rate charged on outstanding borrowings is at LIBOR plus 2.25% (2.45% at August 31, 2015). Under an event of default, the interest rate will increase from LIBOR plus 2.25% to LIBOR plus 5.25%. The line is secured by a first priority interest in all business assets of Easter Seals New Hampshire, Inc. with guarantees from Agency Realty, Inc., Easter Seals VT, and Manchester Alcoholism Rehabilitation Center. As a result of the deconsolidation of Easter Seals NY discussed in note 12, Easter Seals NY has been removed as borrower and guarantor under this revolving line of credit. The agreement requires that collective borrowings under the line of credit be reduced to \$1,000,000 for 30 consecutive days during each calendar year. There was no outstanding balance at August 31, 2015.

NHHEFA 2004A Revenue Bonds

In connection with the NHHEFA 2004A Revenue Bonds, Easter Seals NH is required to make deposits of interest and principal of sufficient amounts to make the required interest payments and to retire the bonds when due. The 2004A Revenue Bonds require that Easter Seals NH maintain certain reserve funds with a trustee for current required principal and interest payments. Such amounts, which are included within assets limited as to use, totaled \$315,065 and \$300,046 at August 31, 2015 and 2014, respectively. This agreement also requires bank approval prior to Easter Seals NH incurring additional indebtedness. Easter Seals NH has two letters of credit securing the bonds for \$14,046,062 each (expiring and subject to renewal on March 15, 2016, and mainly to support future principal and interest repayments due under the 2004A Revenue Bonds). Easter Seals NH is required to replace or renew the two \$14,046,062 letters of credit upon their expiration or the related bonds may be subject to early redemption. Easter Seals NH pays an annual fee for the two letters of credit relating to the 2004A NHHEFA Revenue Bonds. Fees incurred on these letters of credit totaled approximately \$181,000 and \$183,000 in 2015 and 2014, respectively.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

8. Borrowings (Continued)

Series 2010 Revenue Bonds

On December 1, 2010, Easter Seals NY, in connection with the Monroe County Industrial Development Corporation and RBS Citizens, issued \$5,250,000 in Series 2010 tax-exempt Revenue Bonds (the Series 2010 Bonds). The Series 2010 Bonds were used to finance the acquisition of certain property located in Irondequoit, New York, provide for improvements to a school building and an existing rehabilitation facility, and construct two residential rehabilitation facilities. Additionally, proceeds were used to refinance certain Easter Seals NY outstanding debt.

The Series 2010 Bonds are secured by a mortgage on all properties and improvements financed by the bonds, and are guaranteed by Easter Seals NH. Easter Seals NY may elect to prepay some portion or all of the outstanding bonds subject to a prepayment fee, as defined. This agreement also requires bank approval prior to Easter Seals NY incurring additional indebtedness. The Series 2010 Bonds are subject to tender for mandatory purchase at the election of the bondholder beginning June 1, 2016, and thereafter every five years through June 1, 2036. See deconsolidation of affiliate – note 12.

Mortgage Notes Payable

On December 5, 2014, Easter Seals NY entered into a \$1,980,000 mortgage note payable to finance the acquisition of certain property located in Valhalla, New York. The interest rate charged on the outstanding borrowings is fixed at 3.66% for the first 60 months. Thereafter, as of the first day of the sixty first (61st) month, the interest rate will re-set to 1.75% per annum in excess of the five-year bank cost of funds rate as of the re-set date. Monthly principal and interest payments are \$9,153, and all remaining outstanding principal and interest is due on January 2025. The note is secured by the property. Additionally, this note was guaranteed by Easter Seals NH through August 31, 2015 when the guarantee was terminated (see deconsolidation of affiliate – note 12).

On February 18, 2015, Easter Seals NH and Manchester Alcoholism Rehabilitation Center entered into a \$2,480,000 mortgage note payable to finance the acquisition of certain property located in Franklin, New Hampshire. The interest rate charged is fixed at 4.25%. Monthly principal and interest payments are \$12,200, and all remaining outstanding principal and interest is due on February 18, 2030. The note is secured by the property.

Note Payable

On September 15, 2014, Easter Seals NY entered into a \$63,045 note payable to finance the purchase of equipment. The interest rate charged on the outstanding borrowings is fixed at 3.15%. Monthly principal and interest payments of \$1,841 commenced November 2014, and all remaining outstanding principal and interest is due in October 2017. The note is secured by the equipment financed (see deconsolidation of affiliate – note 12).

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

8. **Borrowings (Continued)**

Interest Rate Swap Agreements

Easter Seals NH has an interest rate swap agreement with a bank in connection with the Series 2004A Revenue Bonds. The swap agreement has an outstanding notional amount of \$13,875,000 and \$14,275,000 at August 31, 2015 and 2014, respectively, which reduces, in conjunction with bond principal reductions, until the agreement terminates in December 2034. Easter Seals NH remits interest at the fixed rate of 3.54% and receives interest at a variable rate (0.03% at August 31, 2015).

On February 23, 2011, Easter Seals NY entered into an interest rate swap agreement with a bank in connection with the Series 2010 Revenue Bonds. The swap agreement had an outstanding notional amount of \$4,929,360 at August 31, 2014 which reduces, in conjunction with bond principal reductions, until the agreement terminates in January 2031. Easter Seals NY remits interest at a fixed rate of 2.99% and receives interest at a variable rate (68% of monthly LIBOR) (see deconsolidation of affiliate – note 12).

Excluding interest rate swap agreements of Easter Seals NY for 2015, the fair value of the above interest rate swap agreements totaled \$2,819,967 and \$3,329,813 at August 31, 2015 and 2014, respectively, \$442,045 and \$615,570 of which was current at August 31, 2015 and 2014, respectively. During the years ended August 31, 2015 and 2014 net payments required by the agreements, including Easter Seals NY, totaled \$618,445 and \$674,448, respectively. These payments have been included in interest expense within the accompanying consolidated statements of activities and changes in net assets. See note 11 with respect to fair value determinations.

Debt Covenants

In connection with the bonds, lines of credit and various other notes payable described above, Easter Seals NH is required to comply with certain financial covenants including, but not limited to, minimum liquidity and debt service coverage ratios. At August 31, 2015, Easter Seals NH was in compliance with restrictive covenants specified under the NHHEFA bonds and other debt obligations.

9. **Donated Services**

A number of volunteers have donated their time in connection with Easter Seals NH's program services and fundraising campaigns. However, no amounts have been reflected in the accompanying consolidated financial statements for such donated services, as no objective basis is available to measure the value.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

10. Related Party Transactions

Approximately 12% and 13% of other fees and grants revenue is derived from a pass-through grant from Easter Seals, Inc. for the years ended August 31, 2015 and 2014, respectively. Easter Seals NH is a member of Easter Seals, Inc. As of August 31, 2014, Easter Seals NY had a receivable of \$334,352 from Easter Seals, Inc. related to amounts due under this grant. Membership fees to Easter Seals, Inc. were \$119,969 and \$122,586 for the years ended August 31, 2015 and 2014, respectively, and are reflected as support of National programs on the accompanying consolidated statements of activities and changes in net assets.

Easter Seals NH has an amount due from Easter Seals NY of \$98,710 at August 31, 2015, which is expected to be received in 2016 (see also note 12). Easter Seals NH also had an amount due from Easter Seals CT of \$7,301 at August 31, 2014, which was received in 2015 (see also note 12).

11. Fair Value of Financial Instruments

Fair value of a financial instrument is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at their measurement date. In determining fair value, Easter Seals NH uses various methods including market, income and cost approaches, and utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in factors used in the valuation. These factors may be readily observable, market corroborated, or generally unobservable. Easter Seals NH utilizes valuation techniques that maximize the use of observable factors and minimizes the use of unobservable factors.

Certain of Easter Seals NH's financial instruments are reported at fair value, which include beneficial interest held in trusts, investments and the interest rate swaps, and are classified by levels that rank the quality and reliability of the information used to determine fair value:

Level 1 – Valuations for financial instruments traded in active exchange markets, such as the New York Stock Exchange. Valuations are obtained from readily available pricing sources for market transactions involving identical instruments.

Level 2 – Valuations for financial instruments traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar instruments.

Level 3 – Valuations for financial instruments derived from other methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining fair value.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

11. **Fair Value of Financial Instruments (Continued)**

The following describes the valuation methodologies used to measure financial assets and liabilities at fair value. The levels relate to valuation only and do not necessarily indicate a measure of investment risk. There have been no changes in the methodologies used by Easter Seals NH at August 31, 2015 and 2014.

Investments and Assets Limited as to Use

Cash and cash equivalents are deemed to be Level 1. The fair values of marketable equity securities, money market and mutual funds that are based upon quoted prices in active markets for identical assets are reflected as Level 1. Investments in certain government and agency securities and corporate and foreign bonds where securities are transparent and generally are based upon quoted prices in active markets are valued by the investment managers and reflected as Level 2.

Beneficial Interest in Trusts Held by Others

The beneficial interest in trusts held by others has been assigned fair value levels based on the fair value levels of the underlying investments within the trusts. The fair values of marketable equity securities, money market and mutual funds, government and agency securities and other asset funds are based upon quoted prices in active markets for identical assets and are reflected as Level 1. Investments in marketable equity securities, mutual funds and corporate and foreign bonds where securities are transparent and generally are based upon quoted prices in active markets are valued by the investment managers and reflected as Level 2.

Interest Rate Swap Agreements

The fair value for the interest rate swap liabilities is included in Level 3 and is estimated by the counterparty using industry standard valuation models. These models project future cash flows and discount the future amounts to present value using market-based observable inputs, including interest rates.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

11. Fair Value of Financial Instruments (Continued)

At August 31, 2015 and 2014, Easter Seals NH's assets and liabilities measured at fair value on a recurring basis were classified as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2015</u>				
Assets:				
Assets limited as to use and investments at fair value:				
Cash and cash equivalents	\$ 452,024	\$ —	\$ —	\$ 452,024
Marketable equity securities:				
Large-cap	957,876	—	—	957,876
International	594,807	—	—	594,807
Mutual funds, open-ended:				
Short-term fixed income	2,736,504	—	—	2,736,504
Intermediate-term bond fund	972,183	—	—	972,183
High yield bond fund	243,935	—	—	243,935
Foreign bond	14,089	—	—	14,089
Government securities	746,217	—	—	746,217
International equities	786,193	—	—	786,193
Domestic, large-cap	1,095,893	—	—	1,095,893
Domestic, mid-cap	49,538	—	—	49,538
Domestic, small-cap	3,520	—	—	3,520
Domestic, Multi Alt	404,922	—	—	404,922
Real estate fund	125,629	—	—	125,629
Mutual funds, closed-ended:				
Domestic, large-cap	2,470,333	—	—	2,470,333
Domestic, mid-cap	501,299	—	—	501,299
Domestic, small-cap	192,844	—	—	192,844
International equity	293,853	—	—	293,853
Corporate and foreign bonds	—	620,550	—	620,550
Government and agency securities	—	317,780	—	317,780
	<u>\$12,641,659</u>	<u>\$938,330</u>	<u>\$ —</u>	<u>\$13,579,989</u>
Beneficial interest in trust held by others:				
Money market funds	\$ 15,496	\$ —	\$ —	\$ 15,496
Marketable equity securities:				
Large-cap	93,067	—	—	93,067
Mutual funds:				
Domestic fixed income	—	20,784	—	20,784
	<u>\$ 108,563</u>	<u>\$ 20,784</u>	<u>\$ —</u>	<u>\$ 129,347</u>
Liabilities:				
Interest rate swap agreements	\$ —	\$ —	\$2,819,967	\$ 2,819,967

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

11. Fair Value of Financial Instruments (Continued)

<u>2014</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Assets limited as to use and investments at fair value:				
Cash and cash equivalents	\$ 523,616	\$ —	\$ —	\$ 523,616
Marketable equity securities:				
Large-cap	1,238,248	—	—	1,238,248
International	644,905	—	—	644,905
Mutual funds, open-ended:				
Short-term fixed income	3,562,348	—	—	3,562,348
Intermediate-term bond fund	824,376	—	—	824,376
High yield bond fund	264,363	—	—	264,363
Foreign bond	14,168	—	—	14,168
Government securities	752,030	—	—	752,030
International equities	784,490	—	—	784,490
Domestic, large-cap	1,500,128	—	—	1,500,128
Domestic, mid-cap	147,920	—	—	147,920
Domestic, small-cap	3,480	—	—	3,480
Domestic, Multi Alt	112,233	—	—	112,233
Real estate fund	128,303	—	—	128,303
Mutual funds, closed-ended:				
Domestic, large-cap	2,510,846	—	—	2,510,846
Domestic, mid-cap	508,556	—	—	508,556
Domestic, small-cap	193,682	—	—	193,682
International equity	326,879	—	—	326,879
Commodity	991	—	—	991
Corporate and foreign bonds	—	711,063	—	711,063
Government and agency securities	—	366,744	—	366,744
	<u>\$14,041,562</u>	<u>\$1,077,807</u>	<u>\$ —</u>	<u>\$15,119,369</u>
Beneficial interest in trust held by others:				
Money market funds	\$ 16,172	\$ —	\$ —	\$ 16,172
Marketable equity securities:				
Large-cap	225,799	57,705	—	283,504
Small-cap	—	33,685	—	33,685
International	—	72,307	—	72,307
Emerging markets	46,695	—	—	46,695
Mutual funds:				
Domestic fixed income	—	133,076	—	133,076
International fixed income	30,821	—	—	30,821
Commodity	42,050	—	—	42,050
Real estate investment trust	35,117	—	—	35,117
	<u>\$ 396,654</u>	<u>\$ 296,773</u>	<u>\$ —</u>	<u>\$ 693,427</u>
Liabilities:				
Interest rate swap agreements	\$ —	\$ —	\$3,329,813	\$ 3,329,813

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

11. Fair Value of Financial Instruments (Continued)

The table below sets forth a summary of changes in the fair value of Easter Seals NH's Level 3 liabilities for the years ended August 31, 2015 and 2014:

	<u>Interest Rate Swaps</u>
Beginning balance, August 31, 2013	\$(2,758,346)
Unrealized loss, net	(594,854)
Decrease due to deconsolidation of affiliate – see note 12	<u>23,387</u>
Ending balance, August 31, 2014	(3,329,813)
Unrealized loss, net	(227,568)
Decrease due to deconsolidation of affiliate – see note 12	<u>737,414</u>
Ending balance, August 31, 2015	<u>\$(2,819,967)</u>

Excluding interest rate swaps held by deconsolidated affiliates (see note 12), the net amounts of unrealized losses for the period attributable to the change in unrealized losses relating to the interest rate swaps still held at August 31, 2015 and 2014 were \$227,568 and \$594,854, respectively.

Easter Seals NH's other financial instruments, including cash and cash equivalents, accounts receivable from affiliates, program and other accounts receivable, contributions receivable, accounts payable, lines of credit, and long-term debt, have fair values approximating their carrying values because of the short-term nature of the financial instruments or because interest rates approximate current market rates.

12. Deconsolidation of Related Entity

On August 31, 2015, Easter Seals NH entered into an agreement with Fedcap, an unrelated entity, whereby Easter Seals NH agreed to transfer its sole member interest in Easter Seals NY to Fedcap for no consideration. Accordingly, all of the assets, liabilities and net assets of Easter Seals NY were transferred to Fedcap effective August 31, 2015. Easter Seals NH was concurrently released from all guarantees and other obligations related to Easter Seals NY. Easter Seals NH recognized a decrease in net assets of \$80,656 as a result of the deconsolidation of Easter Seals NY. The accompanying 2015 consolidated financial statements include the operating results of Easter Seals NY for the period from September 1, 2014 through August 31, 2015.

On July 31, 2014, Easter Seals NH entered into an agreement with The Connecticut Institute for the Blind, Inc. d/b/a Oak Hill (Oak Hill), an unrelated entity, whereby Easter Seals NH agreed to transfer its sole member interest in Easter Seals CT to Oak Hill for no consideration. Accordingly, all of the assets, liabilities and net assets of Easter Seals CT were transferred to Oak Hill effective July 31, 2014. Easter Seals NH was concurrently released from all guarantees and other obligations related to Easter Seals CT. Easter Seals NH recognized a decrease in net assets of \$5,841,079 as a result of the deconsolidation of Easter Seals CT. The accompanying 2014 consolidated financial statements include the operating results of Easter Seals CT for the period from September 1, 2013 through July 31, 2014.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

12. Deconsolidation of Related Entity (Continued)

Summary statements of financial position and activities of Easter Seals NY for the years ended August 31, 2015 and 2014 and Easter Seals CT for the period ended July 31, 2014 are as follows:

	<u>Easter Seals NY</u> <u>August 31, 2015</u>	<u>Easter Seals NY</u> <u>August 31, 2014</u>	<u>Easter Seals CT</u> <u>July 31, 2014</u> <u>(Unaudited)</u>
Assets:			
Cash and cash equivalents	\$ 812,975	\$ 858,787	\$ 21,440
Program and other accounts receivable, net	3,291,793	3,039,832	18,572
Assets limited as to use	—	—	3,548,526
Investments, at fair value	706,842	900,840	256,832
Beneficial interests in trust held by others	501,660	563,738	5,719,267
Fixed assets, net	7,592,335	5,361,330	1,879,966
Other assets	<u>370,019</u>	<u>452,940</u>	<u>24,828</u>
Total assets	13,275,624	11,177,467	11,469,431
Liabilities:			
Line of credit	(3,101,513)	(1,935,548)	—
Accounts payable	(940,713)	(1,435,010)	—
Deferred revenue	(222,027)	(51,562)	(3,138,717)
Accrued expenses	(944,467)	(917,617)	—
Long-term debt	(6,802,401)	(4,966,713)	(2,365,500)
Interest rate swap agreement	(737,414)	(660,433)	—
Capital lease obligation	(78,325)	—	—
Other liabilities	<u>(368,108)</u>	<u>(239,506)</u>	<u>(124,135)</u>
Total liabilities	<u>(13,194,968)</u>	<u>(10,206,389)</u>	<u>(5,628,352)</u>
Net assets	<u>\$ 80,656</u>	<u>\$ 971,078</u>	<u>\$ 5,841,079</u>
	<u>Year Ended</u> <u>August 31, 2015</u>	<u>Year Ended</u> <u>August 31, 2014</u>	<u>11-Month</u> <u>Period Ended</u> <u>July 31, 2014</u> <u>(Unaudited)</u>
Total public support and revenue	\$ 28,576,469	\$ 29,130,350	\$ 1,027,556
Total operating expenses	(29,757,863)	(29,888,051)	(856,861)
Other nonoperating expenses, gains and losses, net	<u>(273,772)</u>	<u>(141,883)</u>	<u>778,724</u>
Increase (decrease) in net assets before discontinued operations	<u>\$ (1,455,166)</u>	<u>\$ (899,584)</u>	<u>\$ 949,419</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

12. Deconsolidation of Related Entity (Continued)

Losses from discontinued operations within Easter Seals NY for years ended August 31, 2015 and 2014 were \$63,854 and \$192,456, respectively. Losses from discontinued operations within Easter Seals CT for the eleven month period ended July 31, 2014 were \$454,230. Total increase (decrease) in net assets for Easter Seals NY for the year ended August 31, 2015 includes the forgiveness of accounts payable and loan to affiliates of \$628,598.

13. Discontinued Operations

The accompanying consolidated financial statements include various programs and entities that are reported as discontinued operations, as follows:

- On January 25, 2012, the Board of Directors of Easter Seals NH voted to close Harbor Schools and cease all operations of this subsidiary.
- On March 22, 2013, the Board of Directors of Easter Seals NY voted to discontinue the Bronx Early Intervention program.
- On May 2, 2014 the Sayville program in NY was discontinued as a license was not able to be obtained.
- On July 1, 2013, the Center for Therapeutic Recreation program located in Portland, Maine was transferred to the City of Portland and at that same time Easter Seals ME discontinued offering those services. On October 17, 2013, the Maine Board of Directors voted to close the Maine Vocational programs.
- On September 25, 2013, the Board of Directors of Easter Seals CT voted to discontinue the camp programs and cease all operations effective November 16, 2013.
- On June 11, 2014, the Board of Directors of Easter Seals NH voted to discontinue the Pediatric Outpatient programs located in Manchester and Dover due to significant losses the programs were experiencing.

The management of Easter Seals NH has determined that the closure of each of these programs/entities met the criteria for classification as discontinued operations. The decisions to close the programs/entities were based on performance factors.

Summary statements of financial position for each of the above discontinued programs/entities as of August 31, 2015 and 2014 are as follows:

	<u>Harbor Schools</u>		<u>New York</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Total assets	\$ 881,802	\$878,144	\$ 21,047	\$ 32,929
Total liabilities	645,381	648,892	61,380	44,511
Net assets (deficit):				
Unrestricted	187,136	180,556	(40,033)	(11,582)
Temporarily restricted	25,459	24,870	—	—
Permanently restricted	23,826	23,826	—	—

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015 and 2014

13. Discontinued Operations (Continued)

	<u>Maine</u>		<u>New Hampshire</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Total assets	\$ —	\$ 825	\$256,980	\$800,810
Total liabilities	—	—	—	31,783
Net assets:				
Unrestricted	—	825	256,980	769,027

Summary statements of activities for each of the above discontinued programs/entities for the years ended August 31, 2015 and 2014 are as follows:

	<u>Harbor Schools</u>		<u>New York</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Total public support and revenue	\$ 50,578	\$ 22,127	\$ —	\$ —
Operating expenses	(42,885)	(70,891)	(47,408)	(192,456)
Other nonoperating expense, gains or (losses)	(524)	830	—	—
Loss on sale of properties, net	—	—	(16,446)	—
Total increase (decrease) in net assets	\$ 7,169	\$ (47,934)	\$ (63,854)	\$ (192,456)

	<u>Maine</u>		<u>Connecticut</u>		<u>New Hampshire</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Total public support and revenue	\$ (302)	\$ 4,667	\$ —	\$ 57,166	\$ 19,096	\$ 1,276,909
Operating expenses	—	(42,262)	—	(511,596)	(119,573)	(2,018,853)
Gain (loss) on sale of properties, net	—	—	—	200	(46,620)	—
Total decrease in net assets	\$ (302)	\$ (37,595)	\$ —	\$ (454,230)	\$ (147,097)	\$ (741,944)

14. Concentrations

Easter Seals NH maintains its cash and cash equivalents in bank deposit accounts which, at times, may exceed amounts guaranteed by the Federal Deposit Insurance Corporation. Financial instruments which subject Easter Seals to credit risk consist primarily of cash equivalents and investments. Easter Seals' investment portfolio consists of diversified investments, which are subject to market risk. No investments exceeded 10% of investments as of August 31, 2015.

OTHER FINANCIAL INFORMATION

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

August 31, 2015

ASSETS

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	New York	Elimin- ations	Total
Current assets:								
Cash and cash equivalents	\$ 5,571,356	\$ 700	\$ 42,539	\$ 500	\$ -	\$ -	\$ -	\$ 5,615,095
Accounts receivable from affiliates	1,326,663	2,012,939	-	-	-	-	(3,240,892)	98,710
Program and other accounts receivable, net	6,390,110	428,089	190,115	102,466	3,500	-	-	7,114,280
Contributions receivable, net	543,356	6,700	22,857	32,343	-	-	-	605,256
Current portion of assets limited as to use	315,065	-	-	-	-	-	-	315,065
Prepaid expenses and other current assets	1,150,585	10,611	42,367	10,790	-	-	-	1,214,353
Total current assets	15,297,135	2,459,039	297,878	146,099	3,500	-	(3,240,892)	14,962,759
Assets limited as to use, net of current portion	1,009,131	-	-	-	-	-	-	1,009,131
Fixed assets, net	22,832,042	55,042	29,292	29,649	-	-	-	22,946,025
Property held for sale	252,645	-	-	-	829,017	-	-	1,081,662
Bond issuance costs, net	59,145	-	-	-	-	-	-	59,145
Investments, at fair value	12,206,508	-	-	-	49,285	-	-	12,255,793
Beneficial interest in trusts held by others and other assets	321,926	-	-	34,533	-	-	-	356,459
	<u>\$51,978,532</u>	<u>\$2,514,081</u>	<u>\$ 327,170</u>	<u>\$ 210,281</u>	<u>\$ 881,802</u>	<u>\$ -</u>	<u>\$ (3,240,892)</u>	<u>\$52,670,974</u>

LIABILITIES AND NET ASSETS

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	New York	Elimin- ations	Total
Current liabilities:								
Lines of credit	\$ -	\$ -	\$ -	\$ -	\$ 262,356	\$ -	\$ -	\$ 262,356
Accounts payable	1,861,772	13,946	1,068	2,425	-	-	-	1,879,211
Accrued expenses	4,084,707	22,980	41,272	13,283	551	-	-	4,162,793
Accounts payable to affiliates	-	-	2,756,262	123,156	361,474	-	(3,240,892)	-
Current portion of deferred revenue	1,034,952	51,748	24,077	-	21,000	-	-	1,131,777
Current portion of capital lease obligation	58,886	-	-	-	-	-	-	58,886
Current portion of interest rate swap agreements	442,045	-	-	-	-	-	-	442,045
Current portion of long-term debt	<u>745,011</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>745,011</u>
Total current liabilities	8,227,373	88,674	2,822,679	138,864	645,381	-	(3,240,892)	8,682,079
Deferred revenue, net of current portion	971,667	-	-	-	-	-	-	971,667
Other liabilities	1,010,108	-	-	-	-	-	-	1,010,108
Capital lease obligation, net of current portion	81,612	-	-	-	-	-	-	81,612
Interest rate swap agreements, less current portion	2,377,922	-	-	-	-	-	-	2,377,922
Long-term debt, less current portion	<u>19,363,038</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,363,038</u>
Total liabilities	32,031,720	88,674	2,822,679	138,864	645,381	-	(3,240,892)	32,486,426
Net assets (deficit):								
Unrestricted	14,588,670	2,417,858	(2,516,780)	8,489	187,136	-	-	14,685,373
Temporarily restricted	941,759	7,549	21,271	28,395	25,459	-	-	1,024,433
Permanently restricted	<u>4,416,383</u>	<u>-</u>	<u>-</u>	<u>34,533</u>	<u>23,826</u>	<u>-</u>	<u>-</u>	<u>4,474,742</u>
Total net assets (deficit)	19,946,812	2,425,407	(2,495,509)	71,417	236,421	-	-	20,184,548
	<u>\$51,978,532</u>	<u>\$2,514,081</u>	<u>\$ 327,170</u>	<u>\$ 210,281</u>	<u>\$ 881,802</u>	<u>\$ -</u>	<u>\$ (3,240,892)</u>	<u>\$52,670,974</u>

* Includes Agency Realty, Inc., Webster Place, Inc. and Manchester Alcoholism Rehabilitation Center

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

August 31, 2014

ASSETS

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	Connecticut	New York	Elimin- ations	Total
Current assets:									
Cash and cash equivalents	\$ 1,887,115	\$ 600	\$ 10,132	\$ 500	\$ -	\$ -	\$ 858,787	\$ -	\$ 2,757,134
Accounts receivable from affiliates	6,110,436	911,119	-	-	-	-	334,353	(7,014,255)	341,653
Program and other accounts receivable, net	6,565,059	763,220	164,545	160,355	3,500	-	2,466,068	-	10,122,747
Contributions receivable, net	492,586	-	1,843	21,534	-	-	189,411	-	705,374
Current portion of assets limited as to use	300,046	-	-	-	-	-	-	-	300,046
Prepaid expenses and other current assets	352,244	1,475	36,840	7,722	-	-	280,045	-	678,326
Total current assets	15,707,486	1,676,414	213,360	190,111	3,500	-	4,128,664	(7,014,255)	14,905,280
Assets limited as to use, net of current portion	986,277	-	-	-	-	-	-	-	986,277
Fixed assets, net	19,655,095	31,222	24,514	22,222	-	-	5,361,330	-	25,094,383
Property held for sale	463,947	-	-	-	825,947	-	-	-	1,289,894
Bond issuance costs, net	62,218	-	-	-	-	-	172,895	-	235,113
Investments, at fair value	12,883,509	-	-	-	48,697	-	900,840	-	13,833,046
Beneficial interest in trusts held by others and other assets	898,413	-	-	38,768	-	-	613,738	-	1,550,919
	\$50,656,945	\$1,707,636	\$ 237,874	\$ 251,101	\$ 878,144	\$ -	\$11,177,467	\$ (7,014,255)	\$57,894,912

LIABILITIES AND NET ASSETS

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	Connecticut	New York	Elimin- ations	Total
Current liabilities:									
Lines of credit	\$ -	\$ -	\$ -	\$ -	\$ 262,356	\$ -	\$ 1,935,548	\$ -	\$ 2,197,904
Accounts payable	1,431,692	12,425	940	3,898	-	-	458,788	-	1,907,743
Accrued expenses	3,267,969	15,892	34,088	8,220	7,696	-	917,617	-	4,251,482
Accounts payable to affiliates	3,023,524	-	2,562,288	99,631	352,590	-	976,222	(7,014,255)	-
Current portion of deferred revenue	523,300	12,557	5,000	83	26,250	-	291,068	-	858,258
Current portion of interest rate swap agreements	474,355	-	-	-	-	-	141,215	-	615,570
Current portion of long-term debt	4,064,386	-	-	-	-	-	163,953	-	4,228,339
Total current liabilities	12,785,226	40,874	2,602,316	111,832	648,892	-	4,884,411	(7,014,255)	14,059,296
Deferred revenue, net of current portion	999,167	-	-	-	-	-	-	-	999,167
Other liabilities	987,185	-	-	-	-	-	-	-	987,185
Interest rate swap agreements, less current portion	2,195,025	-	-	-	-	-	519,218	-	2,714,243
Long-term debt, less current portion	14,173,540	-	-	-	-	-	4,802,760	-	18,976,300
Total liabilities	31,140,143	40,874	2,602,316	111,832	648,892	-	10,206,389	(7,014,255)	37,736,191
Net assets (deficit):									
Unrestricted	14,428,086	1,666,763	(2,422,354)	100,501	180,556	-	235,785	-	14,189,337
Temporarily restricted	690,526	(1)	57,912	-	24,870	-	171,555	-	944,862
Permanently restricted	4,398,190	-	-	38,768	23,826	-	563,738	-	5,024,522
Total net assets (deficit)	19,516,802	1,666,762	(2,364,442)	139,269	229,252	-	971,078	-	20,158,721
	\$50,656,945	\$1,707,636	\$ 237,874	\$ 251,101	\$ 878,144	\$ -	\$11,177,467	\$(7,014,255)	\$57,894,912

* Includes Agency Realty, Inc., Webster Place, Inc. and Manchester Alcoholism Rehabilitation Center

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2015

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	New York	Elimin- ations	Total
Public support and revenue:								
Public support:								
Contributions	\$ 730,807	\$ 15,252	\$ 121,753	\$ 84,306	\$ -	\$ 534,478	\$ (6,000)	\$ 1,480,596
Special events, net	1,070,232	4,572	48,920	80,945	-	278,847	-	1,483,516
Annual campaigns, net	363,600	13,426	41,561	13,555	-	-	-	432,142
Bequests	459,167	-	-	-	-	32,852	-	492,019
Total public support	2,623,806	33,250	212,234	178,806	-	846,177	(6,000)	3,888,273
Revenue:								
Fees and grants from governmental agencies	41,393,156	4,096,507	1,743,157	1,170,710	-	23,561,944	-	71,965,474
Other fees and grants	19,058,227	655,514	244,805	47,930	-	4,105,076	-	24,111,552
Sales to public	4,375,698	-	-	-	-	-	-	4,375,698
Dividend and interest income	353,829	-	-	1,554	-	56,733	(9,284)	402,832
Rental income	27,390	-	-	-	-	6,539	-	33,929
Intercompany revenue	2,390,406	-	-	-	-	-	(2,390,406)	-
Other	123,805	-	41	932	-	-	-	124,778
Total revenue	67,722,511	4,752,021	1,988,003	1,221,126	-	27,730,292	(2,399,690)	101,014,263
Total public support and revenue	70,346,317	4,785,271	2,200,237	1,399,932	-	28,576,469	(2,405,690)	104,902,536
Operating expenses:								
Program services:								
Public health education	285,591	4,370	-	21,125	-	99,800	-	410,886
Professional education	23,435	-	-	-	-	-	(6,000)	17,435
Direct services	58,214,130	4,108,875	2,044,378	1,237,113	-	26,104,067	(95,252)	91,613,311
Total program services	58,523,156	4,113,245	2,044,378	1,258,238	-	26,203,867	(101,252)	92,041,632

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	New York	Elimin- ations	Total
Supporting services:								
Management and general Fundraising	\$ 8,603,810 902,347	\$ 435,732 2,317	\$ 195,933 90,061	\$ 142,268 62,583	\$ - -	\$ 2,710,841 751,069	\$ (2,302,938) -	\$ 9,785,646 1,808,377
Total supporting services	9,506,157	438,049	285,994	204,851	-	3,461,910	(2,302,938)	11,594,023
Total functional expenses	68,029,313	4,551,294	2,330,372	1,463,089	-	29,665,777	(2,404,190)	103,635,655
Support of National programs	26,793	-	630	460	-	92,086	-	119,969
Total operating expenses	68,056,106	4,551,294	2,331,002	1,463,549	-	29,757,863	(2,404,190)	103,755,624
Increase (decrease) in net assets from operations	2,290,211	233,977	(130,765)	(63,617)	-	(1,181,394)	(1,500)	1,146,912
Other nonoperating expenses, gains and losses:								
Change in fair value of interest rate swaps	(150,587)	-	-	-	-	(76,981)	-	(227,568)
Net realized and unrealized losses on investments	(381,953)	-	-	-	-	(25,299)	-	(407,252)
Increase (decrease) in fair value of beneficial interest in trusts held by others	3,890	-	-	(4,235)	-	(62,078)	-	(62,423)
(Loss) gain on sales and disposals of property, plant and equipment	(11,938)	-	-	-	-	1,690	-	(10,248)
Other nonoperating expenses	(17,750)	-	-	-	-	(111,104)	-	(128,854)
Capital transfer	(558,338)	-	-	(4,235)	-	(273,772)	-	(836,345)
(Loss) gain from discontinued operations	(523,877)	523,877	-	-	-	-	-	-
	(148,597)	-	(302)	-	7,169	(63,854)	1,500	(204,084)
Increase (decrease) in net assets before effects of deconsolidation of affiliate	1,059,399	757,854	(131,067)	(67,852)	7,169	(1,519,020)	-	106,483
Deconsolidation of affiliate	(629,389)	791	-	-	-	547,942	-	(80,656)
Total increase (decrease) in net assets	430,010	758,645	(131,067)	(67,852)	7,169	(971,078)	-	25,827
Net assets (deficit) at beginning of year	19,516,802	1,666,762	(2,364,442)	139,269	229,252	971,078	-	20,158,721
Net assets (deficit) at end of year	\$ 19,946,812	\$ 2,425,407	\$ (2,495,509)	\$ 71,417	\$ 236,421	\$ -	\$ -	\$ 20,184,548

* Includes Agency Realty, Inc., Webster Place Inc., and Manchester Alcoholism Rehabilitation Center

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2014

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	Connecticut	New York	Elimin- ations	Total
Public support and revenue:									
Public support:									
Contributions	\$ 660,025	\$ 783	\$ 188,715	\$ 35,175	\$ -	\$ 5,902	\$ 409,654	\$ -	\$ 1,300,254
Special events, net	990,162	2,390	16,735	132,955	-	12,446	661,287	-	1,815,975
Annual campaigns, net	398,950	10,731	19,340	48,824	-	24,005	-	-	501,850
Bequests	220,764	-	-	1,710	-	8,129	217,955	-	448,558
Total public support	2,269,901	13,904	224,790	218,664	-	50,482	1,288,896	-	4,066,637
Revenue:									
Fees and grants from governmental agencies	37,890,398	3,257,409	2,142,632	1,114,188	-	248,623	23,072,047	-	67,725,297
Other fees and grants	19,739,085	669,021	37,471	61,137	-	9,862	4,577,720	-	25,094,296
Sales to public	4,270,196	-	-	-	-	-	-	-	4,270,196
Dividend and interest income	339,121	-	-	1,472	-	373,818	56,794	(25,255)	745,950
Rental income	1,032	-	-	-	-	-	64,746	(574)	65,204
Intercompany revenue	2,317,520	-	-	-	-	-	66,035	(2,383,555)	-
Other	133,957	285	172	5,341	-	344,771	4,112	(29,450)	459,188
Total revenue	64,691,309	3,926,715	2,180,275	1,182,138	-	977,074	27,841,454	(2,438,834)	98,360,131
Total public support and revenue	66,961,210	3,940,619	2,405,065	1,400,802	-	1,027,556	29,130,350	(2,438,834)	102,426,768
Operating expenses:									
Program services:									
Public health education	258,038	245	74	3,551	-	386	253,698	-	515,992
Professional education	29,065	-	-	-	-	-	-	-	29,065
Direct services	56,578,002	3,518,763	2,156,028	1,164,880	-	576,844	26,023,617	(31,000)	89,987,134
Total program services	56,865,105	3,519,008	2,156,102	1,168,431	-	577,230	26,277,315	(31,000)	90,532,191

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	Connecticut	New York	Elimin- ations	Total
Supporting services:									
Management and general Fundraising	\$ 8,240,795 862,957	\$ 344,097 319	\$ 220,095 90,098	\$ 130,416 141,535	\$ — —	\$ 147,814 129,258	\$ 2,722,667 796,555	\$ (2,386,314) (13,783)	\$ 9,419,570 2,006,939
Total supporting services	9,103,752	344,416	310,193	271,951	—	277,072	3,519,222	(2,400,097)	11,426,509
Total functional expenses	65,968,857	3,863,424	2,466,295	1,440,382	—	854,302	29,796,537	(2,431,097)	101,958,700
Support of National programs	25,797	—	606	2,110	—	2,559	91,514	—	122,586
Total operating expenses	65,994,654	3,863,424	2,466,901	1,442,492	—	856,861	29,888,051	(2,431,097)	102,081,286
Increase (decrease) in net assets from operations	966,556	77,195	(61,836)	(41,690)	—	170,695	(757,701)	(7,737)	345,482
Other nonoperating expenses, gains and losses:									
Change in fair value of interest rate swaps	(444,658)	—	—	—	—	33,354	(183,550)	—	(594,854)
Net realized and unrealized gains (losses) on investments	1,303,266	—	—	—	—	235,704	(4,020)	—	1,534,950
Increase in fair value of beneficial interest in trusts held by others	14,750	—	—	2,851	—	511,682	45,687	—	574,970
Gain (loss) on sales and disposals of property, plant and equipment	16,368	—	—	—	—	(2,016)	—	—	14,352
Other nonoperating expenses	(249,092)	—	—	—	—	—	—	—	(249,092)
Loss from discontinued operations	640,634 (741,943)	—	—	2,851	—	778,724 (461,463)	(141,883) (192,456)	— 7,737	1,280,326 (1,474,159)
Increase (decrease) in net assets before effects of deconsolidation of affiliate	865,247	77,195	(99,431)	(38,839)	(48,439)	487,956	(1,092,040)	—	151,649
Deconsolidation of affiliate	—	—	—	—	—	(5,841,079)	—	—	(5,841,079)
Total increase (decrease) in net assets	865,247	77,195	(99,431)	(38,839)	(48,439)	(5,353,123)	(1,092,040)	—	(5,689,430)
Net assets (deficit) at beginning of year	18,651,555	1,589,567	(2,265,011)	178,108	277,691	5,353,123	2,063,118	—	25,848,151
Net assets (deficit) at end of year	\$ 19,516,802	\$ 1,666,762	\$ (2,364,442)	\$ 139,269	\$ 229,252	\$ —	\$ 971,078	\$ —	\$ 20,158,721

* Includes Agency Realty, Inc., Webster Place Inc., and Manchester Alcoholism Rehabilitation Center

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2015

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	New York	Elimin- ations	Total
Salaries and related expenses	\$ 49,574,053	\$ 3,577,628	\$ 1,834,414	\$ 1,096,869	\$ -	\$ 21,555,197	\$ -	\$ 77,638,161
Professional fees	7,415,575	533,058	189,755	193,494	-	3,971,367	(2,388,906)	9,914,343
Supplies	1,952,095	27,908	20,485	9,217	-	910,426	-	2,920,131
Telephone	622,842	21,360	12,500	10,012	-	144,543	-	811,257
Postage and shipping	59,319	912	2,089	2,076	-	30,363	-	94,759
Occupancy	2,444,094	111,515	174,786	88,416	-	1,424,846	-	4,243,657
Outside printing, artwork and media	62,529	847	8,333	6,390	-	16,353	-	94,452
Travel	2,100,674	162,775	14,650	42,013	-	172,832	-	2,492,944
Conventions and meetings	209,924	20,428	6,140	2,727	-	139,649	(6,000)	372,868
Specific assistance to individuals	935,227	76,105	36,556	618	-	222,644	-	1,271,150
Dues and subscriptions	25,403	-	980	676	-	11,520	-	38,579
Minor equipment purchases- and equipment rental	207,153	2,966	2,764	2,336	-	29,127	-	244,346
Ads, fees and miscellaneous	107,080	1,794	5,266	713	-	17,587	-	132,440
Interest	907,340	-	-	-	-	365,055	(9,284)	1,263,111
Facility tax assessment	-	-	-	-	-	226,703	-	226,703
Depreciation and amortization	1,406,005	13,998	21,654	7,532	-	427,565	-	1,876,754
	<u>\$ 68,029,313</u>	<u>\$ 4,551,294</u>	<u>\$ 2,330,372</u>	<u>\$ 1,463,089</u>	<u>\$ -</u>	<u>\$ 29,665,777</u>	<u>\$ (2,404,190)</u>	<u>\$ 103,635,655</u>

* Includes Agency Realty, Inc., Webster Place Inc., and Manchester Alcoholism Rehabilitation Center

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2014

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	Connecticut	New York	Elimin- ations	Total
Salaries and related expenses	\$ 48,494,900	\$ 2,970,136	\$ 1,999,154	\$ 1,053,169	\$ -	\$ 544,811	\$ 21,791,248	\$ -	\$ 76,853,418
Professional fees	6,982,525	533,037	188,905	228,820	-	211,335	3,776,125	(2,413,005)	9,507,742
Supplies	1,750,451	23,661	19,749	6,305	-	6,169	871,909	-	2,678,244
Telephone	684,805	15,065	6,345	9,051	-	3,934	148,073	-	867,273
Postage and shipping	70,760	1,033	3,123	2,173	-	1,280	34,635	-	113,004
Occupancy	2,097,572	85,308	168,892	84,892	-	49,802	1,593,939	-	4,080,405
Outside printing, artwork and media	67,850	3,479	9,570	4,559	-	449	41,120	-	127,027
Travel	2,231,402	118,835	6,591	39,351	-	8,863	189,950	(69)	2,594,923
Conventions and meetings	168,077	18,125	16,466	1,254	-	9,710	156,942	-	370,574
Specific assistance to individuals	968,332	70,856	22,066	-	-	12,455	171,751	-	1,245,460
Dues and subscriptions	22,081	-	2,424	125	-	870	15,339	-	40,839
Minor equipment purchases- and equipment rental	215,839	18,748	7,922	7,850	-	1,698	117,599	-	369,656
Ads, fees and miscellaneous	27,699	1,937	2,542	355	-	230	11,013	-	43,776
Interest	885,953	-	-	-	-	-	308,286	(18,023)	1,176,216
Bad debt provision	-	-	-	-	-	-	-	-	-
Facility tax assessment	-	-	-	-	-	-	182,791	-	182,791
Depreciation and amortization	1,300,611	3,204	12,546	2,478	-	2,696	385,817	-	1,707,352
	<u>\$ 65,968,857</u>	<u>\$ 3,863,424</u>	<u>\$ 2,466,295</u>	<u>\$ 1,440,382</u>	<u>\$ -</u>	<u>\$ 854,302</u>	<u>\$ 29,796,537</u>	<u>\$ (2,431,097)</u>	<u>\$ 101,958,700</u>

* Includes Agency Realty, Inc., Webster Place Inc., and Manchester Alcoholism Rehabilitation Center

Easter Seals New Hampshire, 555 Auburn Street, Manchester, NH 03103
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Experienced Dental Clinician

- Maximizing value of people and resources in dental practices
- Ensuring effective use of plan resources within dental networks
- Accelerating practice growth through integration of varied dental services
- Motivating employees and building team culture by communicating business philosophy and goals

Experience and Accomplishments

Independent contractor
Gentle Dental of Tilton, NH
Dunbarton Family Dental
Dental Arts of Bedford

2009-present

Wellness Dental, Manchester NH

2006-3/2009

Clinical partner

Aspen Dental, West Springfield, MA

2003-2006

Managing Clinical Director

1st Advantage Dental, Northampton, MA

2002-2003(Nov-June)

Associate

NorthEast Dental, Manchester, CT

2001-2003

Chief Dentist

- Provide clinical and operational practice leadership for growth-oriented group dental Practice management firm with multiple locations.
- Provide clinical services, direct day-to-day practice operations and develop strategies for patient retention. Manage employees in practice administration, laboratory, dental services

P&R Dental Strategies, New York, New York
Consultant

December 2000-July 2001

- Performed independent clinical reviews of insurance claims from private general dental practices, including group practices, assuring quality and standard of dental care compliance for major insurance carriers throughout the United States.

<i>Practice owner</i>	1995-2000
<i>Associate dentist</i>	1989-1995

Education

DMD	1985-1989	Tuft's University School of Dental Medicine,
	1983-1985	Columbia University
A.S.	1980-1982	University of Bridgeport,
		Fones School of Dental Hygiene
CDA	1977-1978	Briarwood College

Professional licensure and certifications

- Licensed Dentist: **MA, NY, CT(inactive) NH**
- Registered: **Federal DEA, MA Controlled substance**
- CPR professional certificate
- Advanced dental implantology, Branemark system
- Invisalign Certified
- Mini Implant Certified

Recognition

- Published: Journal of Prosthetic Dentistry-June, 1991

Kara Malenfant

PROFILE

Experienced Dental Assistant with two years of experience seeking for a full time/part time job. Passes knowledge of Dentrix software, digital x-rays, and CEREC machine. CPR and radiology certified. Strong communication, organization, and anticipation skills. Ability to handle multiple tasks in a fast paced environment.

EDUCATION

Middlesex Community College

Lowell, MA

Associate's in Science in Dental Assisting

May, 2013

Relevant Courses: Radiology, Preventive Dentistry, Dental Practice Management, Anatomy and Physiology

EXPERIENCE

Plaistow Dental

Plaistow, NH

General Dentist

2012-2013

- Work chair side as dentist examine and treat patients.
- Provided patient comfort and obtain their dental records.
- Hand instruments/materials to dentist and keep patients' mouth dry.
- Sterilize/disinfect instruments and equipment.
- Prepare patient procedures.
- Take impressions and pouring models.
- Make digital FMX, PA, bite wings.
- Schedule patient appointments.
- Present patient oral after care instructions.

BayState Oral Surgery

Haverhill, MA

Oral and Maxillofacial Dentist

2012-2012

Internship

- Assists with dental surgeries.
- Sterilized/disinfect instruments and equipment.
- Made PA and PANO x-rays.
- Call insurance companies.
- Schedule patient appointments.

Lawrence/

- Present patient oral after care instructions.

Bradford Orthodontics

Bradford, MA

Orthodontic Dentist

2012-2012

Internship

- Transferred instruments.
- Prepared dental materials.
- Taking bite registrations, impressions and pouring models.
- Sterilize/disinfect instruments and operatory.
- Bracket set up.
- Separator placement.
- Tooth preparation.
- Wire removal and placement.
- Presented patient oral after care instructions.

Bethany Isleib

Education:

Granite State College:

Bachelor's in Science of Psychology

Current

NHTI:

Associates in Health Science

May 2013

Certification in Dental Assisting

May 2009

Work Experience:

Vachon Dental

Current - Dec. 2010

- Assist chairside in general dentistry
- Provide patient comfort and education to dental needs
- Fabrication of mouthguards, nightguards, implant stents, bleaching trays, and temporary crowns
- Responsible for sterilizing instruments, inventory, and all infection control protocol in the office including MSDS

3 Stone Dental

Current - Feb 2012

- Secondary assistant responsible for restorative chairside procedures
- Provide patient comfort and education
- Responsibility for room preparation such as stocking and appropriate breakdown of the room

Skills:

- CPR certified
- DANB certified
- Knowledge of Practiceworks, Eaglesoft, and Softdent software
- Knowledge of Waterlase hard and soft tissue laser
- A willingness to learn all aspects of dentistry
- Radiology Certified digital and film

Reference:

Dr. Shannon Farrell (203) 641-4790

Dr. Jeffrey Vachon (603) 627-2092

Marina Houlihan

PROFESSIONAL OBJECTIVE

I am a hard-working, organized dental assistant with a professional demeanor and excellent communication skills. I have been taught and strive to maintain a stress free office environment for all patients. I am motivated to uphold the highest expectations of my superiors.

SKILLS

- CPR certified
- HIPAA compliance
- OSHA compliance
- DANB Radiology certified
- Aiding ESL patients
- Adapting to different work environments
- Critical Thinking
- Dental Terminology
- Stress Reduction Protocol
- Patient Oriented
- Recognition of common drug interactions and oral disease
- Public Health

WORK HISTORY

Dental Assistant
Easter Seals Dental Center

Dr. Shannon Farrell

- Oral Surgery
- Managing patient with mental and physical disabilities
- Traveling and adapting to different public health settings
- Inventory
- Managing multiple operatories
- Assisting accelerated hygiene

Dental Assistant
Epsom/ Penacook Family Dental Care

Drs. Beth Cowie and Steven Calawa

- Oral Surgery
- General Dentistry and Sealants
- Flexibility assisting multiple doctors in overflow operatories
- Treatment planning
- Empathizing with patients from pediatric to geriatrics
- Worked as a team member with a large and experienced dental staff

Dental Assistant
Davis Square Dental Group

Dr. Lee

- Clinical notes
- Impressions, organization of lab cases
- Fabricating temporary crowns
- Restorative, Pediatric assisting, sealants

Shift Leader
Dos Amigos Burritos

Concord, NH

- Shift leader at a fast paced local establishment
- Answering phones
- Customer service
- Server

References Available upon request

EDUCATION

Fryeburg Academy
Fryeburg, Maine
Diploma, 2011

New Hampshire Technical Institute
Concord, New Hampshire
Health Science Degree, 2015

Ellen Therrien

Education:

New Hampshire Community Technical Institute
Associate's Degree of Science in Dental Hygiene

Concord NH September 2006- May 2009
Graduated 5/15/2009

Honors, SADHA Community Service Member

Licensure and Credentials:

- New Hampshire Registered Dental Hygienist License
 - Northeast Regional Board Certified
- New Hampshire Local Anesthesia License
 - CPR Certified

Professional Experience:

Easter Seals Dental Center

Manchester, NH August 2009-Present

Dental Hygienist

- Provide initial and recall patient care, oral prophylaxis, routine radiographs, treatment planning, sealants, oral hygiene instruction, dental and periodontal charting with Dentrrix, accurate record keeping, sterilization, ordering supplies, strict adherence to OSHA safety guidelines.
- Treatment of wide variety of patients including those with special needs, disabilities, and the elderly.

Dr. Hoerltdoerfer

Manchester, NH August 2013-Present

Dental Hygienist

Moo's Place Homemade Ice Cream

Derry, NH April 2004- Oct 2010

Manager

- Oversee and supervise staff, customer service, interview and train new employees, cash control, open/close facilities
- Respond to and resolve customer complaints, inventory control
- Handle multiple tasks in a fast paced environment maintaining clean working environment

Relevant Experience:

Merrimack Valley High School

Penacook, NH Spring 2009

Dental Hygiene-Externship

- Performed complete prophylaxis on adolescents, mentored youths on care and prevention of oral disease and overall systemic health
- Demonstrated proper homecare for effective plaque removal, complete and accurate documentation of procedures performed

New Hampshire Department of Corrections

Concord, NH Winter 2008

Dental Hygiene-Externship

- Performed complete prophylaxis on inmates, gave guidance and education on utilization of available oral health aids at correctional facility

Dental Hygiene Clinic - New Hampshire Community Technical Institute Concord, NH 2007-2009

- Complete prophylaxis, sealants, local anesthesia, digital radiographs, impressions, scheduling, use of Dentrrix

Community Service:

- ✚ Special Olympic Dental Screenings at UNH
- ✚ Dental Health Education for preschoolers
- ✚ Oral Health Fair at Rockingham County Nursing Home
- ✚ Oral Health Presentations for 5th Graders
- ✚ Volunteer Children's Clinic at NHTI, Concord N.H

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Shannon Farrell	Dentist	\$135,000	10.85%	\$14,651
B Islieb/K. Malenfant/M Houlihan	Dental Assistant	\$37,440	13.26%	\$4,965
Ellen Therrien	Dental Hygienist	\$67,213	7.76%	\$5,215

5

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF COMMUNITY BASED CARE SERVICES

BUREAU OF ELDERLY & ADULT SERVICES

Nicholas A. Toumpas
 Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857

603-271-9203 1-800-351-1888

Diane Langley
 Director

Fax: 603-271-4643 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

August 10, 2015

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Community Based Care Services, Bureau of Elderly and Adult Services to enter into Agreements with the vendors listed below to provide to provide dental treatment to adults age sixty (60) and up in need of early or immediate intervention and who lack financial resources. No maximum client or service volume is guaranteed. Accordingly, the price limitation among all Agreements is \$27,886. The Agreements are effective upon the date of Governor Executive Council approval through September 30, 2016. 100% Federal Funds.

Vendor	Vendor #	Vendor Location
Easter Seals New Hampshire, Inc.	177204-B005	Manchester, NH
Families First of the Greater Seacoast	166629-B001	Portsmouth, NH
Goodwin Community Health	154703-B001	Somersworth, NH
Harbor Homes, Inc.	155358-B001	Nashua, NH
Mid-State Health Center	158055-B001	Plymouth, NH
Tri-County Community Action Program, Inc.	177195-B011	Tamworth, NH

Funds to support this request are anticipated to be available in the following account in State Fiscal Year 2016 and State Fiscal Year 2017 upon availability and continued appropriation of funds in the future operating budget, with authority to adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

05-95-48-481010-8917 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADM ON AGING GRANTS

Fiscal Year	Class/Object	Class Title	Total Amount
SFY 2016	102-500731	Contracts for Program Services	\$22,309
SFY 2017	102-500731	Contracts for Program Services	\$5,577
			\$27,886

EXPLANATION

Approval of these contracts will allow the Department to continue the Oral Health program for seniors. The Department's contracted hygienist conducts oral health screenings of older adults in community-based settings, including senior centers and meal sites. Based on screening results and a corresponding oral health questionnaire, individuals are identified who have pain, infection, severe

decay and/or suspicious lesions and who also do not have financial resources or dental insurance to help pay for treatment. Eligible individuals are then referred by the Department to one of these contracted dentists to receive needed dental care.

The dentist will be reimbursed according to a fixed fee schedule up to \$2,000 per individual. This fee schedule is based on the dental services and fees provided to adults in the Department of Health and Human Services Human Immunodeficiency Virus program.

The Department published a Request for Application for Licensed Dentists and Oral Surgeons (RFA #16-DHHS-DCBCS-BEAS-RFA-01) on the Department of Health and Human Services website February 10, 2015 to March 23, 2015. The Department received six applications. The applications were reviewed by a program Administration and Program Specialist in the Bureau of Elderly and Adult Services. All six applications were selected. (See attached Summary Score Sheet).

The Contract contains language that Department reserves the right to renew the contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of contracted services and Governor and Executive Council approval.

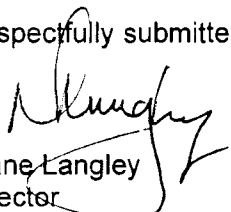
Should the Governor and Executive Council not approve this request, then adults age 60 and older with immediate dental need but without access to care will continue to face barriers to dental treatment and remain at high risk for compromised health. A growing body of evidence links dental disease and periodontal infection to diabetes, heart disease and stroke. Oral health interventions could improve the oral health of older adults, support their well-being and prevent the need for more costly care.

Area to be Served: Statewide

Source of Funds: 100% Federal from the United States Department of Health and Human Services, Administration for Community Living, Title III, Part D Disease Prevention and Health Promotion Services, Catalog of Federal Domestic Assistance (CFDA) #93.043 and Federal Award Identification 15AANHT3PH.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,


Diane Langley
Director

Approved by:


Nicholas A. Toumpas
Commissioner



New Hampshire Department of Health and Human Services
Office of Business Operations
Contracts & Procurement Unit
Summary Scoring Sheet

Licensed Dentists and Oral Surgeons
RFP Name

16-DHHS-DCBCS-BEAS-RFA-01
RFP Number

Reviewer Names

1. Tracey Tarr, Administrator
2. Margaret Morrill, Program Specialist
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.

Maximum Points	Actual Points
100	80
100	97
100	78
100	72
100	95
100	70

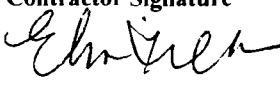
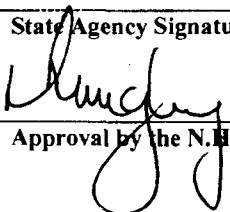
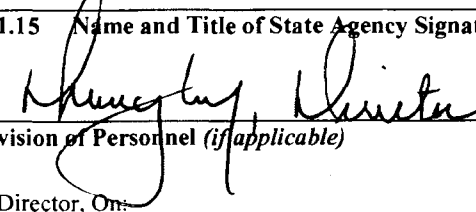
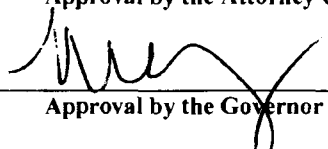
Bidder Name

1. Easter Seals of New Hampshire, Inc.
2. Families First of the Greater Seacoast
3. Goodwin Community Health
4. Harbor Homes, Inc.
5. Mid-State Health Center
6. Tri-County Community Action Program, Inc.

Subject: Senior Oral Health Program**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS**1. IDENTIFICATION.**

1.1 State Agency Name Department of Health & Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Easter Seals New Hampshire, Inc.		1.4 Contractor Address 555 Auburn St Manchester NH 03101	
1.5 Contractor Phone Number 603-623-8863	1.6 Account Number 05-95-48-481010-8917-102-500731	1.7 Completion Date September 30, 2016	1.8 Price Limitation \$27,886.
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Elin Treanor, CFO	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Hillsborough</u> On <u>8/3/2015</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal] 			
1.13.2 Name and Title of Notary or Justice of the Peace CYNTHIA ROSS, Notary Public My Commission Expires March 12, 2019			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory 	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Megan A. Gile - Attorney On: <u>8/27/15</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination

Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("Workers' Compensation").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.



Scope of Services

1. SCOPE OF SERVICES:

1.1. The Contractor will:

- 1.1.1. Provide dental treatments to adults ages 60 and up who need early or immediate intervention and lack the financial resources for dental treatment, and who reside in any city or town in New Hampshire, as follows:
 - 1.1.1.1. Accept client referrals from the Department;
 - 1.1.1.2. Complete an oral health diagnosis for each client;
 - 1.1.1.3. Diagnose oral health issues and problems and develop a dental treatment plan based on the client's identified oral health and/or treatment needs;
 - 1.1.1.4. Schedule and remind clients of their dental appointments;
 - 1.1.1.5. Perform, with the individual's approval, dental services and treatment in accordance with the Exhibit B-1 Dental Fee Schedule up to a \$2,000 limit per individual patient for the contract period;
 - 1.1.1.6. Follow up with clients to ensure their pain or infection was alleviated after receiving dental treatment(s);
 - 1.1.1.7. Provide client level data in a secure, electronic format as specified by the Department for completion of required reports; and

2. Licensing Requirements:

The Contractor will ensure that the dentist(s) performing services under this agreement, including any subcontract agreements, must possess a current dental license issued by the State of New Hampshire Board of Dental Examiners.

3. Cultural Considerations:

The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

4. Criminal Background Check:

Contractor shall conduct a New Hampshire criminal background check for a potential applicant for employment or volunteer, funded under this contract.



5. DHHS' Bureau of Elderly and Adult Services' (BEAS) State Registry:

Contractors which are licensed, certified or funded by the DHHS shall meet the requirements of RSA 161-F: 49 Registry, VII, which requires that all employers of programs that are licensed, certified, or funded by the NH Department of Health and Human Services to provide services, submit the name of prospective employees who may have client contact for review against the registry of founded reports of abuse, neglect, and exploitation of incapacitated adults.

6. Contract Monitoring

6.1. The Contractor will:

- 6.1.1. Participate in an "on-site review," conducted by the Department, of the records of clients who received dental care and treatment in the program.
- 6.1.2. Ensure the Department has access sufficient for monitoring of contract compliance requirements as identified in OMB Circular A-133.
- 6.1.3. Ensure the Department is provided with access that includes but is not limited to:
 - 6.1.3.1. Data;
 - 6.1.3.2. Financial records;
 - 6.1.3.3. Scheduled access to Contractor work sites/locations/work spaces and associated facilities;
 - 6.1.3.4. Unannounced access to Contractor work sites/locations/work spaces and associated facilities;
 - 6.1.3.5. Scheduled phone access to Contractor principals and staff.

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Exhibit B

Method and Conditions Precedent to Payment

1. Price Limitation. This Agreement is one of multiple Agreements that will serve the Senior Oral Health Program. No maximum or minimum client and service volume is guaranteed. Accordingly, the price limitation among all Agreements is identified in Block 1.8 of the P-37 for the duration of the Agreement.
2. Subject to the Contractor's compliance with the terms and conditions of the Agreement, the Department shall reimburse the Contractor for actual dental service(s) provided by the contractor to eligible individuals, resulting from referrals made by the Department and in accordance with Exhibit A, Scope of Services.
3. Reimbursement shall be based on the Senior Oral Health Program, Dental Fee Schedule, identified in Exhibit B-1.
4. Reimbursement Limits per Patient. Reimbursement is limited to \$2,000 per patient for during the Agreement period, depending on the availability of funding. Any additional treatment that exceeds the limit per patient shall be at the sole expense of the participating dental practice or clinic.
5. Contract dentists shall complete and submit Dental Claim Forms provided by the Bureau of Elderly and Adult Services for each client, due within 15 days from the date of treatment.
Dental Claim forms shall be sent to:
Bureau of Elderly and Adult Services
Administrator, Community Programs and Long-Term Care
129 Pleasant Street
Concord, NH 03301
6. Notwithstanding anything to the contrary herein, the Contractor agrees that payment under this Agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State Law, rule or regulation applicable to the services provided, or if the said services have not been satisfactory completed in accordance with the terms and condition of this Agreement.
7. The funding source for this Agreement for Dental Services is 100% federal funds from the Administration for Community Living, Title III, Part D, Disease Prevention and Health Promotion Services, CFDA 93.043. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.
8. The contractor shall have or secure a vendor number with the State of New Hampshire to receive payment from the DHHS.
9. The Contractor shall comply with the necessary steps established by the Department for making payments to vendors using Electronic Funds Transfer (EFT). Exceptions to using EFT for payment shall be made upon prior approval of the BEAS Financial Manager or designee.



Exhibit B-1

NH Bureau of Elderly and Adult Services, Older Adult Oral Health Program (ages 60+)
Dental Fee Schedule as of February 2015

Code	Procedure	Fee
D0120	Periodic oral evaluation	41.00
D0140	Limited oral evaluation	60.00
D0210	Intraoral-complete series	96.00
D0220	Intraoral-Periapical 1st film	15.00
D0230	Intraoral-Periapical each additional	10.00
D0270	Bitewings - Xray	17.00
D0272	Bitewings - two films	25.00
D0274	Bitewings - four films	45.00
D0330	Panoramic film	83.00
D2140	Amalgam - 1 surface	150.00
D2150	Amalgam - 2 surface	155.00
D2160	Amalgam - 3 surface	180.00
D2161	Amalgam - 4/4+ surface	200.00
D2330	Resin-1 surface anterior	131.00
D2331	Resin-2 surface anterior	143.00
D2332	Resin-3 surface anterior	147.00
D2335	Resin-4/4+ surface anterior	165.00
D2391	Resin-1 surface posterior	150.00
D2392	Resin-2 surface posterior	155.00
D2393	Resin-3 surface posterior	180.00
D2394	Resin-4/4+ surface posterior	200.00
D4341	Scaling and root planing (per quadrant)	100.00
D4355	Full mouth debridement	90.00
D5110	Complete denture-maxillary	800.00
D5120	Complete denture-mandibular	800.00
D5130	Immediate denture-maxillary	875.00
D5140	Immediate denture-mandibular	875.00
D5211	Maxillary partial-resin base	600.00
D5212	Maxillary partial-resin base	600.00
D5410	Adjust complete denture, maxillary	50.00
D5411	Adjust complete denture, mandibular	50.00
D5421	Adjust partial denture, maxillary	50.00
D5422	Adjust partial denture, mandibular	50.00
D5520	Replace denture teeth	127.00
D5750	Reline complete maxillary denture	244.00
D5751	Reline complete mandibular denture	244.00
D7140	Extraction-erupted/exposed	150.00
D7210	Extraction-surgical-imp bony	225.00
D7240	Removal of Impacted Tooth Tissue	225.00
D7310	Alveoloplasty - per quadrant	275.00
D7472	Removal of torus palatinus Mandibular 2 quadrants	400.00
D5760	Reline maxillary partial denture	99.00
D5761	Reline mandibular partial denture	99.00



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

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- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
- 8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
- 8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
- 9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

New Hampshire Department of Health and Human Services
Exhibit C



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services:** Disallowance of Costs: Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
 - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF
WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.

When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:

- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 19.3. Monitor the subcontractor's performance on an ongoing basis

**New Hampshire Department of Health and Human Services
Exhibit C**



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

FINANCIAL MANAGEMENT GUIDELINES: Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

CONTRACTOR MANUAL: Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act. NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.



REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 4. **CONDITIONAL NATURE OF AGREEMENT.**
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.
2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;
 - 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
3. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:
 - 14.1.1 Comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$1,000,000 per occurrence with additional general liability umbrella coverage of not less than \$15,000,000.
4. The Department reserves the right to renew the Contract for up to two additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council.

A handwritten signature in black ink, appearing to be 'E' or 'G'.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services
Exhibit D



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

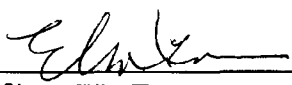
Place of Performance (street address, city, county, state, zip code) (list each location)

555 Auburn St, Manchester, NH 03103

Check ☐ if there are workplaces on file that are not identified here.

Contractor Name: Easter Seals NH, Inc.

8/3/15
Date


Name: Elin Treanor
Title: CFO



CERTIFICATION REGARDING LOBBYING

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Contractor Name: Easter Seals NH, Inc.

Date

8/3/2015

Name: Elin Treanor
Title: CFO

Elin Treanor



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

New Hampshire Department of Health and Human Services
Exhibit F



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (11)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name: Easter Seals NH, Inc

8/3/2015
Date

Elin Treanor
Name: Elin Treanor
Title: CFO



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Contractor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Contractor Initials

ET

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Contractor agrees to comply with the provisions indicated above.

Contractor Name: Easter Seals NH, Inc.

8/3/15
Date

Elin Treanor
Name: Elin Treanor
Title: CFO

Exhibit G

Contractor Initials ET

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Contractor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Contractor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Contractor Name: Easter Seals NH, Inc.

8/3/2015
Date

Elin Treanor
Name: Elin Treanor
Title: CFO



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) Definitions.

- a. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) **Business Associate Use and Disclosure of Protected Health Information.**

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business

A handwritten signature in black ink, appearing to be "EJ", written over a horizontal line.



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
 - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI

A handwritten signature in black ink, appearing to be 'JF' or similar, written over a horizontal line.



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

A handwritten signature in black ink, appearing to be "CJ", written over a horizontal line.



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) **Obligations of Covered Entity**

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) **Termination for Cause**

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) **Miscellaneous**

- a. **Definitions and Regulatory References.** All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. **Amendment.** Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. **Data Ownership.** The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. **Interpretation.** The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

3/2014

Contractor Initials

A handwritten signature in black ink, appearing to be "EJ".

Date 8/3/15



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health & Human Services
The State

[Signature]
Signature of Authorized Representative

Diane Langley
Name of Authorized Representative

Director
Title of Authorized Representative

8/11/15
Date

Easter Seals NH, Inc

Name of the Contractor

[Signature]
Signature of Authorized Representative

Elin Treanor
Name of Authorized Representative

CEO
Title of Authorized Representative

8/3/15
Date



**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY
ACT (FFATA) COMPLIANCE**

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC.

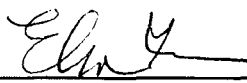
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: Easter Seals NH, Inc.

8/3/15
Date


Name: Elin Treanor
Title: CFO

New Hampshire Department of Health and Human Services
Exhibit J



FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 08-557-3467
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

 NO YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

**New Hampshire Department of Health and Human Services
Senior Oral Health Program**



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Senior Oral Health Program Contract**

This 1st Amendment to the Senior Oral Health Program contract (hereinafter referred to as "Amendment #1") dated June 21, 2016, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Families First of the Greater Seacoast (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 100 Campus Drive, Portsmouth, NH 03840.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on September 16, 2015, Item #16, the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to the General Provisions, Paragraph 18 of the Form P-37 and Exhibit C-1 Paragraph 3, the Department reserves the right to renew the contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council;

WHEREAS, the Department and the Contractor agree to extend the completion date by an additional two (2) years and to increase the price limitation;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree as follows:

1. Amend General Provisions (Form P-37), Block 1.7, Completion Date, by extending the date to September 30, 2018.
2. Amend General Provisions (Form P-37), Block 1.8, Price Limitation, to read: \$83,658.00.

FFS
7/7/16

New Hampshire Department of Health and Human Services
Senior Oral Health Program



This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

7/22/16
Date

Maureen Ryan
NAME Maureen Ryan
TITLE Director, Office of Human Services

Families First of Greater Seacoast

7/7/16
Date

Helen B. Taft
NAME Helen B. Taft
TITLE Executive Director

Acknowledgement:

State of NA, County of Rockingham on 7/7/16, before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Suzanne Coombs
Name and Title of Notary or Justice of the Peace

Expires 12/19/18

**New Hampshire Department of Health and Human Services
Senior Oral Health Program**



The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

6/4/16
Date

[Signature]
Name: Michael A. Caputo
Title: Attorney General

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

Department of State

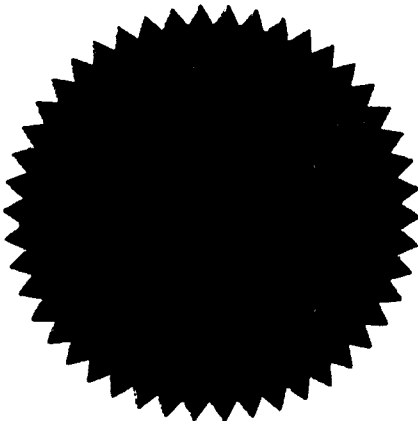
CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that FAMILIES FIRST OF THE GREATER SEACOAST is a New Hampshire nonprofit corporation formed August 28, 1986. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.

In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 5th day of April A.D. 2016



William M. Gardner
Secretary of State



CERTIFICATE OF VOTE

I, Linda Sanborn, do hereby certify that:
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Families First.
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of the Agency duly held on 7/6/16:
(Date)

RESOLVED: That the Executive Director
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of the 7th day of July, 2016.
(Date Contract Signed)

4. Helen B. Taft is the duly elected Executive Director
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Linda Sanborn
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Rockingham

The forgoing instrument was acknowledged before me this 7th day of July, 2016.

By Linda Sanborn.
(Name of Elected Officer of the Agency)

Suzanne Combs
(Notary Public/Justice of the Peace)

[NOTARY SEAL]

Commission Expires: 12/19/18



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/8/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Tobey & Merrill Insurance 20 High Street Hampton NH 03842-2214		CONTACT NAME: Edward Jackson PHONE (A/C, No, Ext): (603) 926-7655 FAX (A/C, No): (603) 926-2135 E-MAIL ADDRESS: edward@tobeymerrill.com	
INSURED Families First of the Greater Seacoast 100 Campus Dr Ste 12 Suite 12 Portsmouth NH 03801		INSURER(S) AFFORDING COVERAGE INSURER A: Peerless Indemnity INSURER B: Peerless Insurance Company INSURER C: INSURER D: INSURER E: INSURER F:	
		NAIC # 18333 24198	

COVERAGES**CERTIFICATE NUMBER:** CL161804090**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDITIONAL INSURED	WARRANTY	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR			BOP8358757	12/29/2015	12/29/2016	EACH OCCURRENCE \$ 2,000,000
			DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000				
			MED EXP (Any one person) \$ 5,000				
			PERSONAL & ADV INJURY \$ 2,000,000				
	GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PROJECT ☐ LOC ☐ OTHER						GENERAL AGGREGATE \$ 4,000,000
							PRODUCTS - COMPOPP AGG \$ 4,000,000
							Employee Benefits \$
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☐ HIRED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$
			BODILY INJURY (Per person) \$				
			BODILY INJURY (Per accident) \$				
			PROPERTY DAMAGE (Per accident) \$				
							\$
B	☒ UMBRELLA LIAB ☐ EXCESS LIAB			CV8353458	12/29/2015	12/29/2016	EACH OCCURRENCE \$ 1,000,000
			AGGREGATE \$ 1,000,000				
			\$				
	DED ☒ RETENTION \$ 10,000						
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N ☐ N/A		WC5055429	12/29/2015	12/29/2016	PER STATUTE ☐ OTHER ☐
			E L EACH ACCIDENT \$ 1,000,000				
			E L DISEASE - EA EMPLOYEE \$ 1,000,000				
			E L DISEASE - POLICY LIMIT \$ 1,000,000				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

DHHS/DCYF
129 Pleasant St
Concord, NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Dean Merrill CIC/JLM

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ADDITIONAL COVERAGES

Ref #	Description Increased employer's liability	Coverage Code INEL	Form No.	Edition Date
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
			Premium	\$233.00
Ref #	Description Expense constant	Coverage Code EXCNT	Form No.	Edition Date
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
			Premium	\$185.00
Ref #	Description Premium discount	Coverage Code PDIS	Form No.	Edition Date
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
			Premium	-\$882.00
Ref #	Description Schedule Mod Factor 1	Coverage Code SCH01	Form No.	Edition Date
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
			Premium	
Ref #	Description Adjst. to reconcile-exp mod. premium	Coverage Code AREM	Form No.	Edition Date
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
			Premium	\$8,781.00
Ref #	Description Additional Prem to Equal Inc Limits	Coverage Code AILMP	Form No.	Edition Date
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
			Premium	
Ref #	Description	Coverage Code	Form No.	Edition Date
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
			Premium	
Ref #	Description	Coverage Code	Form No.	Edition Date
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
			Premium	
Ref #	Description	Coverage Code	Form No.	Edition Date
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
			Premium	

Families First

support for families...health care for all

Mission Statement

Families First Health and Support Center contributes to the health and well-being of the Seacoast community by providing a broad range of health and family services to all, regardless of ability to pay.

Vision Statement

We envision a strong community that provides fully for the health and well-being of all its members.

Guiding Principles

Families First will:

- offer a broad array of health and family services to meet evolving community needs;
- meet a standard of excellence in all services;
- ensure that no one is turned away due to inability to pay;
- treat clients respectfully and with concern for dignity;
- integrate services wherever possible;
- partner with other organizations to help realize our vision.



FAMILIES FIRST OF THE GREATER SEACOAST

FINANCIAL STATEMENTS

June 30, 2015 and 2014

With Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Families First of the Greater Seacoast

We have audited the accompanying financial statements of Families First of the Greater Seacoast, which comprise the balance sheet as of June 30, 2015, and the related statements of operations, changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Families First of the Greater Seacoast as of June 30, 2015, and the results of its operations, changes in its net assets and its cash flows for the year then ended, in accordance with U.S. generally accepted accounting principles.

Prior Period Financial Statements

The financial statements as of June 30, 2014, were audited by other auditors whose report dated December 9, 2014, expressed an unmodified opinion on those statements.

Berry Dunn McNeil & Parker, LLC

Concord, New Hampshire
November 11, 2015

FAMILIES FIRST OF THE GREATER SEACOAST

Balance Sheets

June 30, 2015 and 2014

ASSETS

	<u>2015</u>	<u>2014</u>
Current assets		
Cash and cash equivalents	\$ 350,670	\$ 400,643
Patient accounts receivable, less allowance for uncollectible accounts of \$54,489 in 2015 and \$51,984 in 2014	297,832	216,039
Grants receivable	72,622	117,416
Current portion of pledges receivable	275,467	237,990
Other current assets	<u>26,601</u>	<u>33,811</u>
Total current assets	1,023,192	1,005,899
Investments	99,769	-
Pledges receivable, less current portion	-	370,000
Assets limited as to use	1,680,036	1,537,795
Property and equipment, net	<u>418,783</u>	<u>282,850</u>
Total assets	<u>\$ 3,221,780</u>	<u>\$ 3,196,544</u>

LIABILITIES AND NET ASSETS

Current liabilities		
Line of credit	\$ -	\$ 243,849
Accounts payable and accrued expenses	52,580	117,151
Accrued payroll and related expenses	313,185	312,264
Patient deposits	47,922	40,973
Deferred revenue	<u>60,200</u>	<u>11,780</u>
Total liabilities	<u>473,887</u>	<u>726,017</u>
Net assets (deficit)		
Unrestricted	915,781	(7,062)
Temporarily restricted	631,425	1,276,902
Permanently restricted	<u>1,200,687</u>	<u>1,200,687</u>
Total net assets	<u>2,747,893</u>	<u>2,470,527</u>
Total liabilities and net assets	<u>\$ 3,221,780</u>	<u>\$ 3,196,544</u>

The accompanying notes are an integral part of these financial statements.

FAMILIES FIRST OF THE GREATER SEACOAST

Statements of Operations

Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Operating revenue		
Patient service revenue	\$ 2,152,348	\$ 1,623,471
Provision for bad debt	<u>(37,705)</u>	<u>(37,860)</u>
Net patient service revenue	2,114,643	1,585,611
Grants and contracts	1,333,024	992,590
Contributions	1,347,775	1,162,853
Other operating revenue	120,613	103,252
Net assets released from restrictions for operations	<u>1,159,515</u>	<u>1,182,527</u>
Total operating revenue	<u>6,075,570</u>	<u>5,026,833</u>
Operating expenses		
Salaries and benefits	4,121,046	3,806,745
Other operating expenses	1,211,689	1,333,805
Depreciation	80,984	72,007
Interest expense	<u>6,666</u>	<u>4,410</u>
Total operating expenses	<u>5,420,385</u>	<u>5,216,967</u>
Operating income (loss)	<u>655,185</u>	<u>(190,134)</u>
Non-operating revenues and gains (losses)		
Investment income	2,452	899
Gain on sale of capital asset	34,844	-
Recognized change in fair value of investments	<u>(3,756)</u>	<u>4,545</u>
Total non-operating revenues and gains (losses)	<u>33,540</u>	<u>5,444</u>
Excess (deficiency) of revenues over expenses	688,725	(184,690)
Net assets released for capital acquisition	<u>234,118</u>	<u>-</u>
Increase (decrease) in unrestricted net assets	<u>\$ 922,843</u>	<u>\$ (184,690)</u>

The accompanying notes are an integral part of these financial statements.

FAMILIES FIRST OF THE GREATER SEACOAST

Statements of Changes in Net Assets

Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Unrestricted net assets		
Excess (deficiency) of revenues over expenses	\$ 688,725	\$ (184,690)
Net assets released for capital acquisition	<u>234,118</u>	<u>-</u>
Increase (decrease) in unrestricted net assets	<u>922,843</u>	<u>(184,690)</u>
Temporarily restricted net assets		
Contributions	750,695	1,672,696
Investment income	23,575	26,923
Recognized change in fair value of investments	(26,114)	176,734
Net assets released from restrictions for operations	(1,159,515)	(1,182,527)
Net assets released for capital acquisition	<u>(234,118)</u>	<u>-</u>
(Decrease) increase in temporarily restricted net assets	<u>(645,477)</u>	<u>693,826</u>
Permanently restricted net assets		
Contributions	<u>-</u>	<u>500</u>
Increase in permanently restricted net assets	<u>-</u>	<u>500</u>
Change in net assets	277,366	509,636
Net assets, beginning of year	<u>2,470,527</u>	<u>1,960,891</u>
Net assets, end of year	<u>\$ 2,747,893</u>	<u>\$ 2,470,527</u>

The accompanying notes are an integral part of these financial statements.

FAMILIES FIRST OF THE GREATER SEACOAST

Statements of Cash Flows

Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities		
Change in net assets	\$ 277,366	\$ 509,636
Adjustments to reconcile change in net assets to net cash used by operating activities		
Provision for bad debt	37,705	37,860
Depreciation	80,984	72,007
Gain on sale of capital asset	(34,844)	-
Restricted contributions for long-term purposes	(750,695)	(339,980)
Recognized change in fair value of investments	29,870	(181,279)
(Increase) decrease in the following assets		
Patient accounts receivable	(119,498)	(121,264)
Grants receivable	44,794	(50,116)
Pledges receivable	332,523	(271,242)
Other current assets	7,210	6,865
Increase (decrease) in the following liabilities		
Accounts payable and accrued expenses	(64,571)	15,530
Accrued payroll and related expenses	921	40,268
Patient deposits	6,949	40,973
Deferred revenue	48,420	(12,696)
Net cash used by operating activities	<u>(102,866)</u>	<u>(253,438)</u>
Cash flows from investing activities		
Capital acquisitions	(217,073)	(106,865)
Proceeds from sale of capital asset	35,000	-
Purchase of investments	(363,435)	(1,666,853)
Proceeds from the sale of investments	91,555	1,769,228
Net cash used by investing activities	<u>(453,953)</u>	<u>(4,490)</u>
Cash flows from financing activities		
Proceeds from borrowings on line of credit	-	243,849
Payments on line of credit	(243,849)	-
Restricted contributions for long-term purposes	750,695	339,980
Net cash provided by financing activities	<u>506,846</u>	<u>583,829</u>
Net (decrease) increase in cash and cash equivalents	(49,973)	325,901
Cash and cash equivalents, beginning of year	400,643	74,742
Cash and cash equivalents, end of year	<u>\$ 350,670</u>	<u>\$ 400,643</u>
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 6,666	\$ 4,410

The accompanying notes are an integral part of these financial statements.

FAMILIES FIRST OF THE GREATER SEACOAST

Notes to Financial Statements

June 30, 2015 and 2014

1. Summary of Significant Accounting Policies

Organization

Families First of the Greater Seacoast (Organization) is a non-stock, not-for-profit corporation organized in New Hampshire. The Organization is a Federally Qualified Health Center (FQHC) which provides comprehensive medical and family support services, including primary care, dental, well child care, substance abuse counseling, parenting education, and home visitation programs to residents of the Seacoast (New Hampshire and Maine).

Income Taxes

The Organization is a public charity under Section 501(c)(3) of the Internal Revenue Code. As a public charity, the Organization is exempt from state and federal income taxes on income earned in accordance with its tax exempt purpose. Unrelated business income is subject to state and federal income tax. Management has evaluated the Organization's tax positions and concluded that the Organization has no unrelated business income or uncertain tax positions that require adjustment to the financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits and petty cash funds and exclude amounts whose use is limited by Board designation.

Patient Accounts Receivable

Patient accounts receivable are stated at the amount management expects to collect from outstanding balances. Patient accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectability of patient accounts receivable, the Organization analyzes its past history and identifies trends for each funding source. Management regularly reviews data about revenue in evaluating the sufficiency of the allowance for uncollectible accounts. Amounts not collected after all reasonable collection efforts have been exhausted are applied against the allowance for uncollectible accounts. The Organization has not changed its methodology for estimating the allowance for uncollectible accounts.

FAMILIES FIRST OF THE GREATER SEACOAST

Notes to Financial Statements

June 30, 2015 and 2014

A reconciliation of the allowance for uncollectible accounts at June 30 is as follows:

	<u>2015</u>	<u>2014</u>
Balance, beginning of year	\$ 51,984	\$ 52,289
Provision	37,705	37,860
Write-offs	<u>(35,200)</u>	<u>(38,165)</u>
Balance, end of year	<u>\$ 54,489</u>	<u>\$ 51,984</u>

Investments

The Organization reports investments at fair value, and has elected to report all gains and losses in the excess (deficiency) of revenues over expenses to simplify the presentation of these amounts in the statement of operations. Investments include donor endowment funds and board designated assets. Accordingly, investments have been classified as non-current assets on the accompanying balance sheet regardless of maturity or liquidity. The Organization has established policies governing long-term investments, which are held within several investment accounts, based on the purposes for those investment accounts and their earnings.

Investment income and the recognized change in fair value are included in the excess (deficiency) of revenues over expenses unless otherwise stipulated by the donor or State Law.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the balance sheets.

Assets Limited As To Use

Assets limited as to use include assets designated by the Board of Directors for future use and donor-restricted contributions to be held in perpetuity.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed on the straight-line method.

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted net assets, and excluded from the excess of revenues over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as temporarily restricted net assets. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

FAMILIES FIRST OF THE GREATER SEACOAST

Notes to Financial Statements

June 30, 2015 and 2014

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets include contributions and grants for which donor-imposed restrictions have not been met. Assets are released from restrictions as expenditures are made in line with restrictions called for under the terms of the donor.

Permanently restricted net assets have been restricted by donors to be maintained by the Organization in perpetuity, the income of which is primarily available for operations..

Patient Service Revenue

Patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Charity Care

The Organization provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Organization does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue.

Donated Goods and Services

Various program help and support for the daily operations of the Organization's programs were provided by the general public of the communities served by the Organization. Donated supplies and services are recorded at their estimated fair values on the date of receipt. Donated supplies and services amounted to \$147,044 and \$265,395 for the years ended June 30, 2015 and 2014, respectively.

Donor-Restricted Gifts

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of operations as "net assets released from restrictions." Donor-restricted contributions whose restrictions are met in the same year as received are reflected as unrestricted contributions in the accompanying financial statements.

FAMILIES FIRST OF THE GREATER SEACOAST

Notes to Financial Statements

June 30, 2015 and 2014

Promises to Give

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. Given the short term nature of the pledges, they are not discounted and no reserve for uncollectible pledges has been established. Conditional promises to give are not included as support until the conditions are substantially met.

Functional Expenses

The Organization provides various services to residents within its geographic location. Expenses related to providing these services are as follows:

	<u>2015</u>	<u>2014</u>
Program services	\$ 4,706,160	\$ 4,511,400
Administrative and general	574,957	527,250
Fundraising	<u>139,268</u>	<u>178,317</u>
Total	<u>\$ 5,420,385</u>	<u>\$ 5,216,967</u>

Excess (Deficiency) of Revenues Over Expenses

The statements of operations reflect the excess (deficiency) of revenues over expenses. Changes in unrestricted net assets which are excluded from the excess (deficiency) of revenues over expenses, consistent with industry practice, include contributions of long-lived assets (including assets acquired using contributions which, by donor restriction, were to be used for the purposes of acquiring such assets).

Reclassification

Certain amounts in the 2014 financial statements have been reclassified to conform to the current year's presentation.

Subsequent Events

For purposes of the preparation of these financial statements, management has considered transactions or events occurring through November 11, 2015, the date that the financial statements were available to be issued. Management has not evaluated subsequent events after that date for inclusion in the financial statements.

FAMILIES FIRST OF THE GREATER SEACOAST

Notes to Financial Statements

June 30, 2015 and 2014

2. Investments

Investments, stated at fair value, are as follows:

	<u>2015</u>	<u>2014</u>
Money market funds	\$ 18,248	\$ 152,451
Mutual funds	<u>1,623,371</u>	<u>1,385,344</u>
Total investments	<u>\$ 1,641,619</u>	<u>\$ 1,537,795</u>
	<u>2015</u>	<u>2014</u>
Long-term investments	\$ 99,769	\$ -
Assets limited as to use	<u>1,541,850</u>	<u>1,537,795</u>
Total investments	<u>\$ 1,641,619</u>	<u>\$ 1,537,795</u>

Fair Value of Financial Instruments

Financial Accounting Standards Board Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurement*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants and also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The fair value hierarchy within ASC Topic 820 distinguishes three levels of inputs that may be utilized when measuring fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The fair value measurement for all of the Organization's investments is based on Level 1 inputs at June 30, 2015 and 2014.

FAMILIES FIRST OF THE GREATER SEACOAST

Notes to Financial Statements

June 30, 2015 and 2014

Investment income and gains (losses) for cash equivalents and investments consist of the following:

	<u>2015</u>	<u>2014</u>
Unrestricted net assets		
Investment income	\$ 2,452	\$ 899
Recognized change in fair value of investments	(3,756)	4,545
Restricted net assets		
Investment income	23,575	26,923
Recognized change in fair value of investments	<u>(26,114)</u>	<u>176,734</u>
Total	<u>\$ (3,843)</u>	<u>\$ 209,101</u>

3. Assets Limited as to Use

Assets limited as to use consisted of the following:

	<u>2015</u>	<u>2014</u>
Designated by the governing board:		
For future use	\$ 212,115	\$ 780
Donor restricted endowment:		
Temporarily restricted earnings	267,234	336,328
Permanently restricted principal	<u>1,200,687</u>	<u>1,200,687</u>
Total	<u>\$ 1,680,036</u>	<u>\$ 1,537,795</u>

	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 138,186	\$ -
Investments	<u>1,541,850</u>	<u>1,537,795</u>
Total	<u>\$ 1,680,036</u>	<u>\$ 1,537,795</u>

4. Pledges Receivable

Pledges receivable consisted of:

	<u>2015</u>	<u>2014</u>
Scheduled amounts due in:		
Less than one year	\$ 275,467	\$ 237,990
Thereafter	<u>-</u>	<u>370,000</u>
Total	<u>\$ 275,467</u>	<u>\$ 607,990</u>

Pledges receivable have not been discounted as the amount is not material to the financial statements as a whole. The Organization believes all pledges are fully collectible.

FAMILIES FIRST OF THE GREATER SEACOAST

Notes to Financial Statements

June 30, 2015 and 2014

5. Property and Equipment

Property and equipment consisted of the following:

	<u>2015</u>	<u>2014</u>
Leasehold improvements	\$ 179,031	\$ 179,031
Furniture, fixtures, and equipment	<u>799,559</u>	<u>766,505</u>
Total cost	978,590	945,536
Less accumulated depreciation	<u>(559,807)</u>	<u>(662,686)</u>
Property and equipment, net	<u>\$ 418,783</u>	<u>\$ 282,850</u>

6. Line of Credit

The Organization has a \$250,000 line of credit with a local bank through May 1, 2016. The line of credit is collateralized by accounts receivable. The interest rate at June 30, 2015 was 3.25%. There was no outstanding balance at June 30, 2015. There was an outstanding balance of \$243,849 at June 30, 2014.

7. Temporarily and Permanently Restricted Net Assets

Temporarily and permanently restricted net assets consisted of the following:

	<u>2015</u>	<u>2014</u>
Temporarily restricted:		
Unrestricted pledges receivable	\$ 275,467	\$ 607,990
Program services	88,724	98,466
Mobile clinic	-	234,118
Endowment earnings	<u>267,234</u>	<u>336,328</u>
Total temporarily restricted	<u>\$ 631,425</u>	<u>\$ 1,276,902</u>
Permanently restricted: Endowment	<u>\$ 1,200,687</u>	<u>\$ 1,200,687</u>

8. Endowments

Interpretation of Relevant Law

There were no board designated endowments. The Organization's endowments primarily consist of an investment portfolio managed by the Investment Sub-Committee. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

FAMILIES FIRST OF THE GREATER SEACOAST

Notes to Financial Statements

June 30, 2015 and 2014

The Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as a donor-restricted endowment (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent donor-restricted endowment gifts and (c) accumulations to the donor-restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund, if any, is classified as temporarily restricted net assets until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Organization
- (7) The investment policies of the Organization

Spending Policy

The Organization has a policy of appropriating for expenditure an amount equal to 5% of the endowment fund's average fair market value over the prior 20 quarters.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Organization to retain as a fund of perpetual duration. There were no such deficiencies as of June 30, 2015 and 2014.

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed or meet designated benchmarks while incurring a reasonable and prudent level of investment risk.

FAMILIES FIRST OF THE GREATER SEACOAST

Notes to Financial Statements

June 30, 2015 and 2014

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a balanced emphasis on equity-based and income-based investments to achieve its long-term return objectives within prudent risk constraints.

Endowment Net Asset Composition by Type of Fund

The endowment net asset composition by type of fund is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>2015</u>				
Donor-restricted endowment funds	\$ <u>-</u>	\$ <u>267,234</u>	\$ <u>1,200,687</u>	\$ <u>1,467,921</u>

2014

Donor-restricted endowment funds	\$ <u>-</u>	\$ <u>336,328</u>	\$ <u>1,200,687</u>	\$ <u>1,537,015</u>

The Organization had the following endowment related activities for the years ended June 30, 2015 and 2014, respectively.

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, June 30, 2014	\$ -	\$ 336,328	\$ 1,200,687	\$ 1,537,015
Investment return:				
Investment income	-	23,575	-	23,575
Change in fair value of investments	-	(26,114)	-	(26,114)
Appropriation of endowment assets for expenditures	<u>-</u>	<u>(66,555)</u>	<u>-</u>	<u>(66,555)</u>
Endowment net assets, June 30, 2015	\$ <u>-</u>	\$ <u>267,234</u>	\$ <u>1,200,687</u>	\$ <u>1,467,921</u>

FAMILIES FIRST OF THE GREATER SEACOAST

Notes to Financial Statements

June 30, 2015 and 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, June 30, 2013	\$ -	\$ 192,343	\$ 1,200,187	\$ 1,392,530
Investment return:				
Investment income	-	26,923	-	26,923
Change in fair value of investments	-	176,734	-	176,734
Contributions	-	-	500	500
Appropriation of endowment assets for expenditures	<u>-</u>	<u>(59,672)</u>	<u>-</u>	<u>(59,672)</u>
Endowment net assets, June 30, 2014	<u>\$ -</u>	<u>\$ 336,328</u>	<u>\$ 1,200,687</u>	<u>\$ 1,537,015</u>

9. Patient Service Revenue

Patient service revenue follows:

	<u>2015</u>	<u>2014</u>
Medicare	\$ 215,538	\$ 200,204
Medicaid	1,307,387	927,295
Third party payers and private pay	<u>629,423</u>	<u>495,972</u>
Total patient service revenue	<u>\$ 2,152,348</u>	<u>\$ 1,623,471</u>

The Organization has agreements with the Centers for Medicare and Medicaid Services (Medicare) and New Hampshire and Maine Medicaid. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. The Organization believes that it is in compliance with all laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action including fines, penalties and exclusion from the Medicare and Medicaid programs. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in patient service revenue in the year that such amounts become known.

FAMILIES FIRST OF THE GREATER SEACOAST

Notes to Financial Statements

June 30, 2015 and 2014

A summary of the payment arrangements with major third-party payers follows:

Medicare

As an FQHC, the Organization is reimbursed for the care of qualified patients at specified interim contractual rates during the year. Differences between the Medicare interim contractual rate and the cost of care as defined by the Principles of Reimbursement governing the program are determined and settled on a retrospective basis. Overall, reimbursement is subject to a maximum allowable rate per visit. The Organization's Medicare cost reports have been audited by the Medicare administrative contractor through June 30, 2013.

Other Payers

The Organization also has entered into payment agreements with Medicaid and certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to the Organization under these agreements includes prospectively determined rates per visit, discounts from established charges and capitated arrangements for primary care services on a per member, per month basis.

The Organization provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. The Organization estimates the costs associated with providing charity care by calculating the ratio of total cost to total charges, and then multiplying that ratio by the gross uncompensated charges associated with providing care to patients eligible for free care. The estimated cost of providing services to patients under the Organization charity care policy amounted to \$1,661,000 and \$1,971,000 for the years ended June 30, 2015 and 2014, respectively.

The Organization is able to provide these services with a component of funds received through local community support and federal and state grants.

10. Retirement Plan

The Organization has a defined contribution plan under Internal Revenue Code Section 401(k) that cover substantially all employees. Employer discretionary contributions are funded at a percentage of eligible employees' salaries. The Organization did not incur expenses under the plan for the years ended June 30, 2015 and 2014.

11. Concentration of Risk

The Organization has cash deposits in major financial institutions in excess of federal depository insurance limits. The financial institutions have a strong credit rating and management believes the credit risk related to these deposits is minimal.

FAMILIES FIRST OF THE GREATER SEACOAST

Notes to Financial Statements

June 30, 2015 and 2014

The Organization grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payer agreements. The mix of medical patient service revenue receivables from patients and third-party payers was as follows as of June 30:

	<u>2015</u>	<u>2014</u>
Medicare	11 %	12 %
Medicaid	42 %	38 %
Other	<u>47 %</u>	<u>50 %</u>
	<u>100 %</u>	<u>100 %</u>

12. Commitments and Contingencies

Medical Malpractice Insurance

The Organization is protected from medical malpractice risk as an FQHC under the Federal Tort Claims Act (FTCA). The Organization has additional medical malpractice insurance, on a claims-made basis, for coverage outside the scope of the protection of the FTCA. As of the year ended June 30, 2015, there were no known malpractice claims outstanding which in the opinion of management, will be settled for amounts in excess of both FTCA and additional medical malpractice insurance coverage, nor are there any unasserted claims or incidents which require loss accrual. The Organization intends to renew the additional medical malpractice insurance coverage on a claims-made basis and anticipates that such coverage will be available.

Leases

The Organization leases office space and certain other office equipment under noncancelable operating leases. Future minimum lease payments under these leases are:

2016	\$ 61,513
2017	11,479
2018	11,479
2019	11,479
2020	<u>7,848</u>
Total	<u>\$ 103,798</u>

Leases that do not meet the criteria for capitalization are classified as operating leases with related rental charged to operations as incurred.

Rental expense amounted to \$133,381 and \$123,868 for the years ended June 30, 2015 and 2014, respectively. Rent expense includes a charge per square foot for utilities and housekeeping services.

Families First

FY2016 Board of Directors

	First	Name	Board Position
1	Linda	Sanborn, CPA	Chair
2	Tom	Newbold	Vice Chair
3	Kristen	Hanley	Secretary
4	Mike	Burke, CPA	Treasurer
5	Karin	Barndollar	
6	Barbara	Henry	
7	Jack	Jamison	
8	Jo	Jordon	
9	Josephine	Lamprey	
10	Patricia	Locuratolo, MD	
11	David	McNicholas	
12	John	Pelletier	
13	Kerri	Ruggiero	
14	Mary	Schleyer	
15	Kathy	Scheu	
16	Dan	Schwarz, Esq.	
17	Peter	Whitman	

HELEN B. TAFT

OBJECTIVE: A position as Administrator in the human services or health care fields.

PROFILE:

- Highly developed research and writing skills with emphasis on analysis and evaluation
- Excellent academic record
- Strong verbal communication and group discussion skills
- Experienced interpersonal skills
- Long-term commitment to community service

EDUCATION:

University of New Hampshire
Masters of Public Administration, 1989
Certificate of Paralegal Studies, 1982
Smith College
B.A. (Government) 1966

PROFESSIONAL EXPERIENCE:

FAMILIES FIRST OF THE GREATER SEACOAST, Portsmouth, NH
Executive Director Dec. 1989 – Present
FOUNDATION FOR SEACOAST HEALTH, Portsmouth, N.H.
Administrative Intern Jan. - June 1989
HARVEY AND MAHONEY LAW OFFICES, Manchester, NH
Paralegal 1982 - 1988

VOLUNTEER LEADERSHIP EXPERIENCE:

CHILD AND FAMILY SERVICES OF NEW HAMPSHIRE 1972 – 1992
President; First Vice-President; Board of Directors; Chair, Long Range Planning Committee; Chair, Advocacy Committee; President, Manchester Regional Executive Committee
UNITED WAY OF MANCHESTER 1985 - 1988
Board of Directors; Chair, Campaign Phonathon; Venture Grant Committee
MANCHESTER LEAGUE OF WOMEN VOTERS 1973 - 1978
President; Board of Directors
GREATER SEACOAST UNITED WAY 1997 - 1999
Board of Directors

REFERENCES: Furnished upon request.

David C. Choate

PROFESSIONAL OBJECTIVE

A position in **Senior Financial Management** providing the opportunity to make a strong contribution to organizational goals through continued development of professional management and financial skills.

QUALIFICATIONS PROFILE

Experience/ Chief Financial Officer: Assure the financial integrity of the agency.

Skills: Related skills and practices include:

- Preparing and monitoring required financial statements and reports
- Developing and revising comprehensive annual agency budgets
- Developing and updating the Administrative and Fiscal Internal Control Policies and Procedures Manual
- Supervising support staff which includes: payroll, accounts payable, accounts receivable, finance clerk, network administrator, receptionist and building maintenance
- Advising agency management and the Board of Directors in regards to fiscal planning, cost analysis auditing systems and financial reporting requirements
- Acting as the lead administrative staff for banking and investment functions, grant management and auditing functions; i.e. external and funding sources
- Reviewing and analyzing plant and equipment needs and negotiating the purchase of major equipment and financing

Computers:

- Windows-based PC's with various accounting software including Microsoft Great Plains Solomon
- Equation Solvers: Microsoft Office: Word, Excel and Outlook

Administration:

- Ensuring compliance with all applicable laws, standards, and reporting requirements of funding sources
- Preparing grant financial reports and documentations

Education: Master Degree in Business Administration, 1989

Southern New Hampshire University – Manchester, New Hampshire

Bachelor of Science Degree in Business Administration-Accounting, 1974

Thomas College – Waterville, Maine

Accomplishments/Strengths:

- Extensive accounting, auditing and management consulting skills
- Excellent troubleshooting and analytical skills
- Well organized and proficient with details
- Excellent interpersonal and team skills

PROFESSIONAL EXPERIENCE

- January 2008 to present** FAMILIES FIRST OF THE GREATER SEACOAST, Portsmouth, NH
Finance Director
- July 2000 to June 2007** INDEPENDENCE ASSOCIATION, INC, Brunswick, Maine
Director of Finance & Administration
An agency that provides residential housing and day programs to adults and children with disabilities.
Accomplishments:
 - Streamlined and updated audit procedures to assure successful audits
 - Responsible for smooth computer conversion to Great Plains Solomon accounting software
 - Maintained and increased profits from services
- November 1995 to July 2000** METHODIST CONFERENCE HOME, INC, Rockland, Maine
Finance Manager
A senior housing agency with programs such as housing services, housing management, senior citizen meals and regional transportation.
Accomplishments:
 - Involved in obtaining finance and operating funds to build an upscale senior housing facility
 - Instituted financial administrative policies
 - Obtained line of credit for operations.
 - Computerized the accounting systems
- May 1988 to November 1995** PROFESSIONAL MANAGEMENT ASSOCIATES, Portland, Maine
Partner and Management Consultant
A business offering a wide range of management and accounting services to professionals and small to medium-sized business, both non-profit and for profit.
Clientele:
 - Small to mid-size business, i.e. food industry and pharmacies
 - Health care providers; i.e. physicians, dentists, chiropractors, hospitals and veterinarians.
Accomplishments:
 - Increased profits for companies through new financial management policies and procedures.

— *Excellent references are available upon request* —

Teresa Burdick

PROFESSIONAL EXPERIENCE

Families First Health and Support Center, Portsmouth, NH

Director of Health, Dental and Healthcare for the Homeless Operations	4/11 to present
Director of Health and Dental Center Operations	12/07 to 4/11
Manager of Health and Dental Center Operations	12/05 to 12/07
Office Manager	12/04 to 12/05
Billing Assistant	4/03 to 12/04
Billing Assistant/Medical Receptionist	4/02 to 4/03

Gaziano Family Estate, York Harbor. ME

Personal Family Manager	5/00 to 4/02

Kid Care of Eliot, Eliot, ME

Executive Director	9/96 to 12/99
Program Director	8/94 to 9/96

Home Day Care, Berwick. ME

9/91 to 6/94

Margowanda Boarding Home, Berwick, ME

Certified Medical Assistant	8/88 to 8/90

EDUCATION

College for Lifelong Learning

1990-92 and 2002-04

Liberal Arts Degree Program

**FAMILIES FIRST OF THE GREATER SEACOAST
SENIOR ORAL HEALTH**

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Helen B. Taft	Executive Director	\$105,248	0%	\$0
David C. Choate	Finance Director	\$ 69,582	0%	\$0
Terri Burdick	Operations Director	\$ 74,880	0%	\$0

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF COMMUNITY BASED CARE SERVICES

BUREAU OF ELDERLY & ADULT SERVICES

Nicholas A. Toumpas
 Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857
 603-271-9203 1-800-351-1888

Diane Langley
 Director

Fax: 603-271-4643 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

August 10, 2015

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Community Based Care Services, Bureau of Elderly and Adult Services to enter into Agreements with the vendors listed below to provide to provide dental treatment to adults age sixty (60) and up in need of early or immediate intervention and who lack financial resources. No maximum client or service volume is guaranteed. Accordingly, the price limitation among all Agreements is \$27,886. The Agreements are effective upon the date of Governor Executive Council approval through September 30, 2016. 100% Federal Funds.

Vendor	Vendor #	Vendor Location
Easter Seals New Hampshire, Inc.	177204-B005	Manchester, NH
Families First of the Greater Seacoast	166629-B001	Portsmouth, NH
Goodwin Community Health	154703-B001	Somersworth, NH
Harbor Homes, Inc.	155358-B001	Nashua, NH
Mid-State Health Center	158055-B001	Plymouth, NH
Tri-County Community Action Program, Inc.	177195-B011	Tamworth, NH

Funds to support this request are anticipated to be available in the following account in State Fiscal Year 2016 and State Fiscal Year 2017 upon availability and continued appropriation of funds in the future operating budget, with authority to adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

05-95-48-481010-8917 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADM ON AGING GRANTS

Fiscal Year	Class/Object	Class Title	Total Amount
SFY 2016	102-500731	Contracts for Program Services	\$22,309
SFY 2017	102-500731	Contracts for Program Services	\$5,577
			\$27,886

EXPLANATION

Approval of these contracts will allow the Department to continue the Oral Health program for seniors. The Department's contracted hygienist conducts oral health screenings of older adults in community-based settings, including senior centers and meal sites. Based on screening results and a corresponding oral health questionnaire, individuals are identified who have pain, infection, severe

decay and/or suspicious lesions and who also do not have financial resources or dental insurance to help pay for treatment. Eligible individuals are then referred by the Department to one of these contracted dentists to receive needed dental care.

The dentist will be reimbursed according to a fixed fee schedule up to \$2,000 per individual. This fee schedule is based on the dental services and fees provided to adults in the Department of Health and Human Services Human Immunodeficiency Virus program.

The Department published a Request for Application for Licensed Dentists and Oral Surgeons (RFA #16-DHHS-DCBCS-BEAS-RFA-01) on the Department of Health and Human Services website February 10, 2015 to March 23, 2015. The Department received six applications. The applications were reviewed by a program Administration and Program Specialist in the Bureau of Elderly and Adult Services. All six applications were selected. (See attached Summary Score Sheet).

The Contract contains language that Department reserves the right to renew the contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of contracted services and Governor and Executive Council approval.

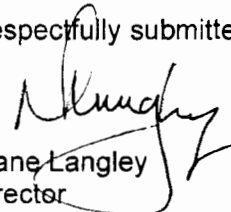
Should the Governor and Executive Council not approve this request, then adults age 60 and older with immediate dental need but without access to care will continue to face barriers to dental treatment and remain at high risk for compromised health. A growing body of evidence links dental disease and periodontal infection to diabetes, heart disease and stroke. Oral health interventions could improve the oral health of older adults, support their well-being and prevent the need for more costly care.

Area to be Served: Statewide

Source of Funds: 100% Federal from the United States Department of Health and Human Services, Administration for Community Living, Title III, Part D Disease Prevention and Health Promotion Services, Catalog of Federal Domestic Assistance (CFDA) #93.043 and Federal Award Identification 15AANHT3PH.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,


Diane Langley
Director

Approved by: 
Nicholas A. Toumpas
Commissioner



New Hampshire Department of Health and Human Services
Office of Business Operations
Contracts & Procurement Unit
Summary Scoring Sheet

Licensed Dentists and Oral Surgeons
RFP Name

16-DHHS-DCBCS-BEAS-RFA-01
RFP Number

Bidder Name

1. Easter Seals of New Hampshire, Inc.
2. Families First of the Greater Seacoast
3. Goodwin Community Health
4. Harbor Homes, Inc.
5. Mid-State Health Center
6. Tri-County Community Action Program, Inc.

Maximum Points	Actual Points
100	80
100	97
100	78
100	72
100	95
100	70

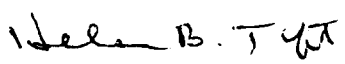
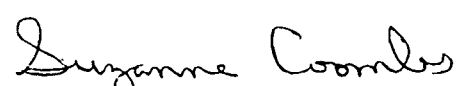
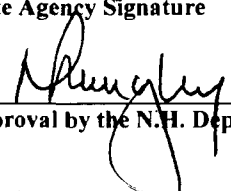
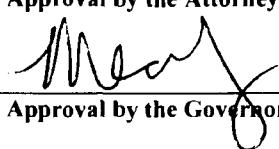
Reviewer Names

1. Tracey Tarr, Administrator
2. Margaret Morrill, Program Specialist
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.

Subject: Senior Oral Health Program**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS**1. IDENTIFICATION.**

1.1 State Agency Name Department of Health & Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Families First of the Greater Seacoast		1.4 Contractor Address 100 Campus Drive Portsmouth, NH 03840	
1.5 Contractor Phone Number 603-422-8208	1.6 Account Number 05-95-48-481010-8917-102-500731	1.7 Completion Date September 30, 2016	1.8 Price Limitation \$27,886.
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Helen B. Tatt, Executive Director	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Rockingham</u> On <u>5/15/15</u> before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal] <u>Suzanne Coombs</u> Exp. <u>12/19/18</u>			
1.13.2 Name and Title of Notary or Justice of the Peace <u>SUZANNE COOMBS,</u> <u>Notary</u>			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory <u>D. Langley, Director</u>	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  <u>Megan A. V. Attorney</u> On: <u>8/27/15</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.
7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination

Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("Workers' Compensation").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.



Scope of Services

1. SCOPE OF SERVICES:

1.1. The Contractor will:

- 1.1.1. Provide dental treatments to adults ages 60 and up who need early or immediate intervention and lack the financial resources for dental treatment, and who reside in any city or town in New Hampshire, as follows:
 - 1.1.1.1. Accept client referrals from the Department;
 - 1.1.1.2. Complete an oral health diagnosis for each client;
 - 1.1.1.3. Diagnose oral health issues and problems and develop a dental treatment plan based on the client's identified oral health and/or treatment needs;
 - 1.1.1.4. Schedule and remind clients of their dental appointments;
 - 1.1.1.5. Perform, with the individual's approval, dental services and treatment in accordance with the Exhibit B-1 Dental Fee Schedule up to a \$2,000 limit per individual patient for the contract period;
 - 1.1.1.6. Follow up with clients to ensure their pain or infection was alleviated after receiving dental treatment(s);
 - 1.1.1.7. Provide client level data in a secure, electronic format as specified by the Department for completion of required reports; and

2. Licensing Requirements:

The Contractor will ensure that the dentist(s) performing services under this agreement, including any subcontract agreements, must possess a current dental license issued by the State of New Hampshire Board of Dental Examiners.

3. Cultural Considerations:

The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

4. Criminal Background Check:

Contractor shall conduct a New Hampshire criminal background check for a potential applicant for employment or volunteer, funded under this contract.



5. DHHS' Bureau of Elderly and Adult Services' (BEAS) State Registry:

Contractors which are licensed, certified or funded by the DHHS shall meet the requirements of RSA 161-F: 49 Registry, VII, which requires that all employers of programs that are licensed, certified, or funded by the NH Department of Health and Human Services to provide services, submit the name of prospective employees who may have client contact for review against the registry of founded reports of abuse, neglect, and exploitation of incapacitated adults.

6. Contract Monitoring

6.1. The Contractor will:

- 6.1.1. Participate in an "on-site review," conducted by the Department, of the records of clients who received dental care and treatment in the program.
- 6.1.2. Ensure the Department has access sufficient for monitoring of contract compliance requirements as identified in OMB Circular A-133.
- 6.1.3. Ensure the Department is provided with access that includes but is not limited to:
 - 6.1.3.1. Data;
 - 6.1.3.2. Financial records;
 - 6.1.3.3. Scheduled access to Contractor work sites/locations/work spaces and associated facilities;
 - 6.1.3.4. Unannounced access to Contractor work sites/locations/work spaces and associated facilities;
 - 6.1.3.5. Scheduled phone access to Contractor principals and staff.

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Exhibit B

Method and Conditions Precedent to Payment

1. Price Limitation. This Agreement is one of multiple Agreements that will serve the Senior Oral Health Program. No maximum or minimum client and service volume is guaranteed. Accordingly, the price limitation among all Agreements is identified in Block 1.8 of the P-37 for the duration of the Agreement.
2. Subject to the Contractor's compliance with the terms and conditions of the Agreement, the Department shall reimburse the Contractor for actual dental service(s) provided by the contractor to eligible individuals, resulting from referrals made by the Department and in accordance with Exhibit A, Scope of Services.
3. Reimbursement shall be based on the Senior Oral Health Program, Dental Fee Schedule, identified in Exhibit B-1.
4. Reimbursement Limits per Patient. Reimbursement is limited to \$2,000 per patient for during the Agreement period, depending on the availability of funding. Any additional treatment that exceeds the limit per patient shall be at the sole expense of the participating dental practice or clinic.
5. Contract dentists shall complete and submit Dental Claim Forms provided by the Bureau of Elderly and Adult Services for each client, due within 15 days from the date of treatment.
Dental Claim forms shall be sent to:
Bureau of Elderly and Adult Services
Administrator, Community Programs and Long-Term Care
129 Pleasant Street
Concord, NH 03301
6. Notwithstanding anything to the contrary herein, the Contractor agrees that payment under this Agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State Law, rule or regulation applicable to the services provided, or if the said services have not been satisfactory completed in accordance with the terms and condition of this Agreement.
7. The funding source for this Agreement for Dental Services is 100% federal funds from the Administration for Community Living, Title III, Part D, Disease Prevention and Health Promotion Services, CFDA 93.043. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.
8. The contractor shall have or secure a vendor number with the State of New Hampshire to receive payment from the DHHS.
9. The Contractor shall comply with the necessary steps established by the Department for making payments to vendors using Electronic Funds Transfer (EFT). Exceptions to using EFT for payment shall be made upon prior approval of the BEAS Financial Manager or designee.



Exhibit B-1

NH Bureau of Elderly and Adult Services, Older Adult Oral Health Program (ages 60+)
Dental Fee Schedule as of February 2015

Code	Procedure	Fee
D0120	Periodic oral evaluation	41.00
D0140	Limited oral evaluation	60.00
D0210	Intraoral-complete series	96.00
D0220	Intraoral-Periapical 1st film	15.00
D0230	Intraoral-Periapical each additional	10.00
D0270	Bitewings - Xray	17.00
D0272	Bitewings - two films	25.00
D0274	Bitewings - four films	45.00
D0330	Panoramic film	83.00
D2140	Amalgam - 1 surface	150.00
D2150	Amalgam - 2 surface	155.00
D2160	Amalgam - 3 surface	180.00
D2161	Amalgam - 4/4+ surface	200.00
D2330	Resin-1 surface anterior	131.00
D2331	Resin-2 surface anterior	143.00
D2332	Resin-3 surface anterior	147.00
D2335	Resin-4/4+ surface anterior	165.00
D2391	Resin-1 surface posterior	150.00
D2392	Resin-2 surface posterior	155.00
D2393	Resin-3 surface posterior	180.00
D2394	Resin-4/4+ surface posterior	200.00
D4341	Scaling and root planing (per quadrant)	100.00
D4355	Full mouth debridement	90.00
D5110	Complete denture-maxillary	800.00
D5120	Complete denture-mandibular	800.00
D5130	Immediate denture-maxillary	875.00
D5140	Immediate denture-mandibular	875.00
D5211	Maxillary partial-resin base	600.00
D5212	Maxillary partial-resin base	600.00
D5410	Adjust complete denture, maxillary	50.00
D5411	Adjust complete denture, mandibular	50.00
D5421	Adjust partial denture, maxillary	50.00
D5422	Adjust partial denture, mandibular	50.00
D5520	Replace denture teeth	127.00
D5750	Reline complete maxillary denture	244.00
D5751	Reline complete mandibular denture	244.00
D7140	Extraction-erupted/exposed	150.00
D7210	Extraction-surgical-imp bony	225.00
D7240	Removal of Impacted Tooth Tissue	225.00
D7310	Alveoloplasty - per quadrant	275.00
D7472	Removal of torus palatinus Mandibular 2 quadrants	400.00
D5760	Reline maxillary partial denture	99.00
D5761	Reline mandibular partial denture	99.00

1/25
5/19/15



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
 - 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
 - 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
 - 9.2. **Audit Liabilities:** In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports: Fiscal and Statistical:** The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
 - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEO):** The Contractor will provide an Equal Employment Opportunity Plan (EEO) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.
18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF
WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
- When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
 - 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
 - 19.3. Monitor the subcontractor's performance on an ongoing basis

New Hampshire Department of Health and Human Services
Exhibit C



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

FINANCIAL MANAGEMENT GUIDELINES: Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

CONTRACTOR MANUAL: Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act. NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.

1/22
5/19/15



REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 4. **CONDITIONAL NATURE OF AGREEMENT.**
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.
2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;
 - 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
3. The Department reserves the right to renew the Contract for up to two additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

ALTERNATIVE I - FOR GRANTEEES OTHER THAN INDIVIDUALS

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services
Exhibit D



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

Contractor Name: Families First of the Greater Seacoast

5/19/15
Date

Walter B. Tuff
Name: Walter B. Tuff
Title: Executive Director



CERTIFICATION REGARDING LOBBYING

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Contractor Name: Families First of the Granite
Seacoast

5/19/15
Date

Heidi B. Telford
Name: Heidi B. Telford
Title: Executive Director



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (11)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name: Familias First of the Greater Seaboard

5/19/15
Date

Heidi B. Telt
Name: Heidi B. Telt
Title: Executive Director



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Contractor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Contractor Initials

WAT

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Contractor agrees to comply with the provisions indicated above.

Contractor Name: Familia First of the Greater Seacoast

5/19/15
Date

Helen B. Tyft
Name: Helen B. Tyft
Title: Executive Director

Exhibit G

Contractor Initials HT

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Contractor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Contractor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Contractor Name: *Families First of the Greater
Seacoast*

Date 5/19/15

Helen B. T. G.
Name: *Helen B. T. G.*
Title: *Executive Director*



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. "**Breach**" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "**Business Associate**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "**Covered Entity**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "**Designated Record Set**" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "**Data Aggregation**" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "**Health Care Operations**" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "**HITECH Act**" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "**HIPAA**" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "**Individual**" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "**Privacy Rule**" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "**Protected Health Information**" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) **Business Associate Use and Disclosure of Protected Health Information.**

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
 - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) Miscellaneous

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health + Human Services
The State

[Signature]
Signature of Authorized Representative

Diane Langley
Name of Authorized Representative

Director
Title of Authorized Representative

8/11/15
Date

Families First of the Greater Seacoast
Name of the Contractor

Helen B. Tift
Signature of Authorized Representative

Helen B. Tift
Name of Authorized Representative

Executive Director
Title of Authorized Representative

5/19/15
Date



**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY
ACT (FFATA) COMPLIANCE**

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: *Familia First of the Greater
Seamant*

5/19/15
Date

Helen B. Taft
Name: *Helen B. Taft*
Title: *Executive Director*

New Hampshire Department of Health and Human Services
Exhibit J



FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 85-844-458
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO _____ YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

_____ NO _____ YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Senior Oral Health Program Contract**

This 1st Amendment to the Senior Oral Health Program contract (hereinafter referred to as "Amendment #1") dated June 21, 2016, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Goodwin Community Health (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 311 Route 108, Somersworth, NH 03878.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on September 16, 2015, Item #16, the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to the General Provisions, Paragraph 18 of the Form P-37 and Exhibit C-1 Paragraph 4, the Department reserves the right to renew the contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council;

WHEREAS, the Department and the Contractor agree to extend the completion date by an additional two (2) years and to increase the price limitation;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree as follows:

1. Amend General Provisions (Form P-37), Block 1.7, Completion Date, by extending the date to September 30, 2018.
2. Amend General Provisions (Form P-37), Block 1.8, Price Limitation, to read: \$83,658.00.

New Hampshire Department of Health and Human Services
Senior Oral Health Program



This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

7/22/16
Date

Maureen Ryan
NAME Maureen Ryan
TITLE Director, Office of Human Services

Goodwin Community Health

7-12-16
Date

Janet Laatsch
NAME Janet Laatsch
TITLE CEO

Acknowledgement:

State of New Hampshire, County of Strafford on 7/12/2016, before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Elizabeth A. Clemence
Name and Title of Notary or Justice of the Peace

ELIZABETH A. CLEMENCE
Notary Public, State of New Hampshire
My Commission Expires April 6, 2021

New Hampshire Department of Health and Human Services
Senior Oral Health Program



The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

9/4/16
Date

[Signature]
Name: Megan A. V. Kelly
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Goodwin Community Health is a New Hampshire nonprofit corporation formed August 18, 1971. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 12th day of April A.D. 2016

A handwritten signature in cursive script, reading "Wm Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Mark Boulanger, of Goodwin Community Health, do hereby certify that:

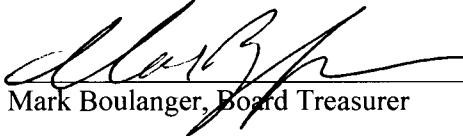
1. I am the duly elected Treasurer of Goodwin Community Health;
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of Goodwin Community Health, duly held on January 19, 2016;

Resolved: That this corporation enter into a contract with the State of New Hampshire, acting through its Department of Health and Human Services for the provision of Public Health Services.

Resolved: That the Chief Executive Officer, Janet Laatsch, is hereby authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of July 12, 2016.

IN WITNESS WHEREOF, I have hereunto set my hand as the Board Treasurer of the Goodwin Community Health this 12th day of July, 2016.


Mark Boulanger, Board Treasurer

STATE OF NH
COUNTY OF STRAFFORD

The foregoing instrument was acknowledged before me this 12th day of July, 2016 by Mark Boulanger.


Notary Public/Justice of the Peace

My Commission Expires: _____

ELIZABETH A. CLEMENCE Notary Public, State of New Hampshire My Commission Expires April 6, 2021



GOODCOM-01

LMICHALS

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

8/5/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # AGR8150

Clark Insurance
One Sundial Ave Suite 302N
Manchester, NH 03102

CONTACT NAME: Lorraine Michals, CIC

PHONE (A/C, No, Ext): (603) 716-2362

FAX (A/C, No): (603) 622-2854

E-MAIL ADDRESS: lmichals@clarkinsurance.com

INSURER(S) AFFORDING COVERAGE

NAIC #

INSURER A: Acadia

31325

INSURED

Goodwin Community Health
311 Route 108
Somersworth, NH 03878

INSURER B:

INSURER C:

INSURER D:

INSURER E:

INSURER F:

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY			ADV5212020-11	07/31/2016	07/31/2017	EACH OCCURRENCE \$ 1,000,000
	☐ CLAIMS-MADE ☒ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000
							MED EXP (Any one person) \$ 10,000
							PERSONAL & ADV INJURY \$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$ 2,000,000
	☐ POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG \$ 2,000,000
	OTHER:						\$
A	AUTOMOBILE LIABILITY			ADV5212020-11	07/31/2016	07/31/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	☐ ANY AUTO						BODILY INJURY (Per person) \$
	☐ ALL OWNED AUTOS						BODILY INJURY (Per accident) \$
	☒ HIRED AUTOS		☒ SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident) \$
			☒ NON-OWNED AUTOS				\$
A	☒ UMBRELLA LIAB		☒ OCCUR	CUA5214125-11	07/31/2016	07/31/2017	EACH OCCURRENCE \$ 1,000,000
	☐ EXCESS LIAB		☐ CLAIMS-MADE				AGGREGATE \$ 1,000,000
	DED ☒ RETENTION \$ 0						\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			WCA5212021-11	07/31/2016	07/31/2017	☒ PER STATUTE ☐ OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N	N/A				E L EACH ACCIDENT \$ 500,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E L DISEASE - EA EMPLOYEE \$ 500,000
							E L DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

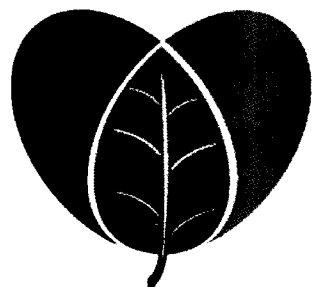
CANCELLATION

State of New Hampshire
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 1988-2014 ACORD CORPORATION. All rights reserved.

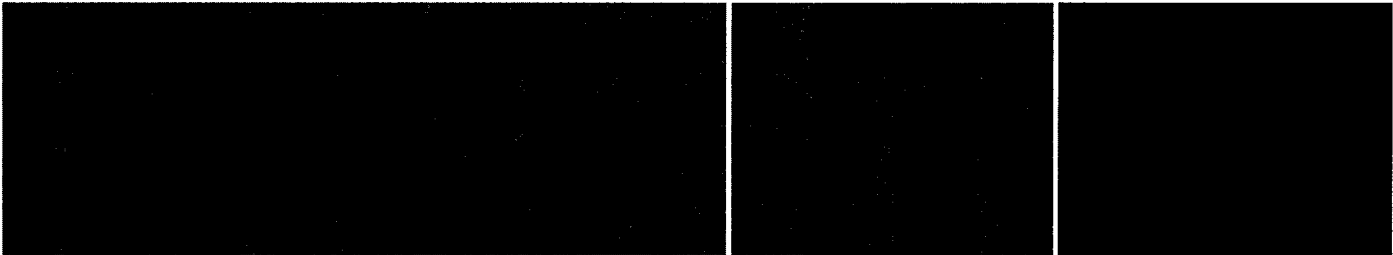


Goodwin
Community Health

Mission

To provide exceptional
health care that is
accessible to all people
in the community.

Board Approved on 6-11-2015



GOODWIN COMMUNITY HEALTH AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

and

ADDITIONAL INFORMATION

June 30, 2015 and 2014

With Independent Auditor's Report





INDEPENDENT AUDITOR'S REPORT

Board of Directors
Goodwin Community Health and Subsidiary

We have audited the accompanying consolidated financial statements of Goodwin Community Health and Subsidiary (the Organization), which comprise the consolidated balance sheet as of June 30, 2015, and the related consolidated statements of operations and changes in net assets and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Goodwin Community Health and Subsidiary as of June 30, 2015, and the results of their operations, changes in their net assets and their cash flows for the year then ended, in accordance with U.S. generally accepted accounting principles.

Auditor's Updated Opinion on 2015 Consolidated Financial Statements

In our report dated October 15, 2015, we expressed an unmodified opinion that the 2015 consolidated financial statements. The 2015 consolidated financial statements have been revised to correct the amount of cash used by investing activities on the consolidated statement of cash flows. The auditor's opinion is not modified with respect to that matter.

Adjustments to Prior Period Summarized Comparative Information

The consolidated financial statements of the Organization as of June 30, 2014 were audited by another auditor whose opinion dated November 25, 2014, on those statements was unmodified. As disclosed in Note 1, the Organization has restated its 2014 consolidated financial statements during 2015 to change the classification of grants received for capital acquisition previously placed in service and released over the life of the related assets from temporarily restricted net assets to unrestricted net assets, to establish a contractual allowance reserve for the differences between amounts billed to third-party payers and amounts expected to be paid, and to record additional grant funds receivable, in accordance with U.S. generally accepted accounting principles. The other auditor reported on the 2014 consolidated financial statements before the restatement.

As part of our audit of the 2015 consolidated financial statements, we also audited adjustments described in Note 1 that were applied to restate the accompanying 2014 consolidated financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review or apply any procedures to the 2014 consolidated financial statements of the Organization other than with respect to the adjustments and, accordingly, we do not express an opinion or any form of assurance on the 2014 consolidated financial statements as a whole.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, which consists of the consolidating statement of financial position as of June 30, 2015, and the related consolidating statements of operations and changes in net assets for the year then ended, is presented for purposes of additional analysis rather than to present the financial position and changes in net assets of the individual entities, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Berry Dunn McNeil & Parker, LLC

Concord, New Hampshire
December 11, 2015

GOODWIN COMMUNITY HEALTH AND SUBSIDIARIES**Consolidated Balance Sheets****June 30, 2015 and 2014****ASSETS**

	<u>2015</u>	Restated <u>2014</u>
Current assets		
Cash and cash equivalents	\$ 1,669,888	\$ 655,579
Patient accounts receivable, less allowance for uncollectible accounts of \$81,378 in 2015 and \$88,420 in 2014	535,278	369,847
Grants receivable	472,843	162,610
Other current assets	<u>25,472</u>	<u>17,145</u>
Total current assets	<u>2,703,481</u>	<u>1,205,181</u>
Investments	200,125	-
Property and equipment, net	6,147,683	6,276,033
Goodwill	17,582	17,582
Other assets	<u>-</u>	<u>8,010</u>
Total assets	<u>\$ 9,068,871</u>	<u>\$ 7,506,806</u>

LIABILITIES AND NET ASSETS

Current liabilities		
Line of credit	\$ 56,500	\$ 193,500
Accounts payable and accrued expenses	183,799	181,237
Accrued payroll and related expenses	433,480	363,823
Current maturities of long-term debt	<u>161,740</u>	<u>154,716</u>
Total current liabilities	835,519	893,276
Long-term debt, less current maturities	<u>708,281</u>	<u>869,885</u>
Total liabilities	1,543,800	1,763,161
Net assets		
Unrestricted	<u>7,525,071</u>	<u>5,743,645</u>
Total liabilities and net assets	<u>\$ 9,068,871</u>	<u>\$ 7,506,806</u>

The accompanying notes are an integral part of these consolidated financial statements.

GOODWIN COMMUNITY HEALTH AND SUBSIDIARIES

Consolidated Statements of Operations and Changes in Net Assets

Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>Restated 2014</u>
Operating revenue and support		
Patient service revenue	\$ 6,146,046	\$ 4,750,323
Provision for bad debts	<u>(255,044)</u>	<u>(304,004)</u>
Net patient service revenue	5,891,002	4,446,319
Grants, contracts, and contributions	3,220,688	2,492,463
Other operating revenue	<u>210,156</u>	<u>164,404</u>
Total operating revenue and support	<u>9,321,846</u>	<u>7,103,186</u>
Operating expenses		
Salaries and benefits	5,914,818	5,302,071
Other operating expenses	1,451,831	1,284,577
Depreciation	253,743	271,833
Interest expense	<u>45,425</u>	<u>57,245</u>
Total operating expenses	<u>7,665,817</u>	<u>6,915,726</u>
Excess of revenues over expenses	1,656,029	187,460
Grants for capital acquisition	<u>125,397</u>	<u>-</u>
Increase in unrestricted net assets	1,781,426	187,460
Unrestricted net assets, beginning of year	<u>5,743,645</u>	<u>5,556,185</u>
Unrestricted net assets, end of year	<u>\$ 7,525,071</u>	<u>\$ 5,743,645</u>

The accompanying notes are an integral part of these consolidated financial statements.

GOODWIN COMMUNITY HEALTH AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years Ended June 30, 2015 and 2014

	<u>2015</u>	Restated <u>2014</u>
Cash flows from operating activities		
Change in net assets	\$ 1,781,426	\$ 187,460
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Provision for bad debts	255,044	304,004
Depreciation	253,743	271,833
Grants for capital acquisition	(125,397)	-
Debt forgiveness	(25,000)	-
(Increase) decrease in		
Patient accounts receivable	(420,475)	(443,911)
Grants receivable	(310,233)	(54,428)
Other assets	(317)	15,012
Increase (decrease) in		
Accounts payable and accrued expenses	2,562	(79,493)
Accrued salaries and related amounts	<u>69,657</u>	<u>43,051</u>
Net cash provided by operating activities	<u>1,481,010</u>	<u>243,528</u>
Cash flows from investing activities		
Capital acquisitions	(125,393)	-
Purchase of investments	<u>(200,125)</u>	<u>-</u>
Net cash used by investing activities	<u>(325,518)</u>	<u>-</u>
Cash flows from financing activities		
Grants for capital acquisition	125,397	-
Payments on long-term debt	(154,580)	(137,656)
Proceeds from long-term debt	-	99,000
Payments on line of credit	<u>(112,000)</u>	<u>(133,780)</u>
Net cash used by financing activities	<u>(141,183)</u>	<u>(172,436)</u>
Net increase in cash and cash equivalents	1,014,309	71,092
Cash and cash equivalents, beginning of year	<u>655,579</u>	<u>584,487</u>
Cash and cash equivalents, end of year	<u>\$ 1,669,888</u>	<u>\$ 655,579</u>
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 57,245	\$ 57,245
Noncash transaction - debt forgiveness	25,000	-

The accompanying notes are an integral part of these consolidated financial statements.

GOODWIN COMMUNITY HEALTH AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2015 and 2014

Organization

Goodwin Community Health (GCH) is a non-stock, not-for-profit corporation organized in New Hampshire. GCH is a Federally Qualified Health Center (FQHC) which provides prenatal care, social support, and public health services to low-income persons.

Subsidiary

Great Bay Mental Health Associates, Inc. (GBMHA), a wholly-owned for-profit subsidiary, engaged in providing mental health services in the Strafford County, New Hampshire community through its employees and independent contractors who are qualified and licensed to practice in the State of New Hampshire.

1. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of GCH and its subsidiary, GBMHA (collectively, the Organization). All significant intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

GCH is a public charity under Section 501(c)(3) of the Internal Revenue Code. As a public charity, GCH is exempt from state and federal income taxes on income earned in accordance with its tax exempt purpose. Unrelated business income is subject to state and federal income tax. GBMHA is a nonexempt organization and files applicable Form 1120 (corporate return). No provision for income taxes was necessary for the years ended June 30, 2015 and 2014.

Management has evaluated the Organization's tax positions and concluded that the Organization has no unrelated business income or uncertain tax positions that require adjustment to the consolidated financial statements. The Organization is subject to U.S. federal and state examinations by tax authorities for years ended June 30, 2012 through June 30, 2015.

GOODWIN COMMUNITY HEALTH AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2015 and 2014

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits and petty cash funds.

Investments

Investments consist of certificates of deposit with a maturity in excess of one year.

Patient Accounts Receivable

Patient accounts receivable are stated at the amount management expects to collect from outstanding balances. Patient accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectability of patient accounts receivable, the Organization analyzes its past history and identifies trends for each funding source. Management regularly reviews data about revenue in evaluating the sufficiency of the allowance for uncollectible accounts. Amounts not collected after all reasonable collection efforts have been exhausted are applied against the allowance for uncollectible accounts. The Organization has not changed its methodology for estimating the allowance for uncollectible accounts during 2015 or 2014.

A reconciliation of the allowance for uncollectible accounts at June 30 is as follows:

	<u>2015</u>	<u>2014</u>
Balance, beginning of year	\$ 88,420	\$ 137,852
Provision	255,044	304,004
Write-offs	<u>(262,086)</u>	<u>(353,436)</u>
Balance, end of year	<u>\$ 81,378</u>	<u>\$ 88,420</u>

Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed on the straight-line method.

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted net assets, and excluded from the excess of revenues over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as temporarily restricted net assets. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

GOODWIN COMMUNITY HEALTH AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2015 and 2014

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by the Organization has been limited by grantors or donors to a specific time-period or purpose. There were no temporarily restricted net assets at June 30, 2015 and 2014.

Permanently restricted net assets have been restricted by donors to be maintained by the Organization in perpetuity. There were no permanently restricted net assets at June 30, 2015 or 2014.

Patient Service Revenue

Patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

340B Drug Pricing Program

The Organization, as an FQHC, is eligible to participate in the 340B Drug Pricing Program. The program requires drug manufacturers to provide outpatient drugs to FQHC's and other identified entities at a reduced price. The Organization contracts with local pharmacies under this program. The local pharmacies dispense drugs to eligible patients of the Organization and bill Medicare and commercial insurances on behalf of the Organization. Reimbursement received by the pharmacies is remitted to the Organization, less dispensing and administrative fees. Gross revenue generated from the program is included in patient service revenue. Contracted expenses incurred related to the program are included in other operating expenses.

Charity Care

The Organization provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Organization does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue.

Donor-Restricted Gifts

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of operations as "net assets released from restrictions." Donor-restricted contributions whose restrictions are met in the same year as received are reflected as unrestricted contributions in the accompanying consolidated financial statements.

GOODWIN COMMUNITY HEALTH AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2015 and 2014

Functional Expenses

The Organization provides various services to residents within its geographic location. Expenses related to providing these services are as follows:

	<u>2015</u>	<u>2014</u>
Program services	\$ 6,330,133	\$ 5,727,499
Administrative and general	1,154,848	1,050,293
Fundraising	<u>180,836</u>	<u>137,934</u>
Total	<u>\$ 7,665,817</u>	<u>\$ 6,915,726</u>

Excess of Revenues Over Expenses

The consolidated statements of operations reflect the excess of revenues over expenses. Changes in unrestricted net assets which are excluded from the excess of revenues over expenses, consistent with industry practice, include contributions of long-lived assets (including assets acquired using contributions which, by donor restriction, were to be used for the purposes of acquiring such assets).

Prior Period Adjustments

Grants and contributions received for capital acquisition previously placed in service and released over the life of the related assets from temporarily restricted net assets to unrestricted net assets were reclassified to unrestricted net assets as of the beginning of the year ended June 30, 2014. A contractual allowance reserve was established for the difference between amounts billed to third-party payers and expected payments for accounts receivable balances at June 30, 2014. Grants receivable and related revenue were increased for Outreach and Enrollment grant expenses incurred in June 2014. As a result of these adjustments, the following amounts previously reported have been restated as of June 30, 2014:

	<u>Unrestricted Net Assets</u>	<u>Temporarily Restricted Net Assets</u>
Balance as of June 30, 2014, as previously reported	\$ 354,851	\$ 5,419,981
Reverse net assets released from restriction for the year ended June 30, 2014	(210,011)	210,011
Reclassification of remaining balance of grants received for capital acquisition to unrestricted net assets	5,629,992	(5,629,992)
Record contractual allowance reserve	(47,857)	-
Record grant receivable	<u>16,670</u>	<u>-</u>
Total prior period adjustments	<u>5,388,794</u>	<u>(5,419,981)</u>
Balance as of June 30, 2014, as restated	<u>\$ 5,743,645</u>	<u>\$ -</u>

GOODWIN COMMUNITY HEALTH AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2015 and 2014

Subsequent Events

For purposes of the preparation of these financial statements, management has considered transactions or events occurring through December 11, 2015, the date that the financial statements were issued. Management has not evaluated subsequent events after that date for inclusion in the financial statements.

In September 2015, the Organization's Board of Directors voted to sell GBMHA to a local not-for-profit with an expected closing date of December 31, 2015.

The Organization has also received a commitment from Frisbie Memorial Hospital (holder of the Organization's line of credit) that the remaining balance on the line of credit will be forgiven in October 2015.

2. Fair Value of Financial Instruments

The following methods and assumptions were used by the Organization in estimating the fair value of certain financial instruments:

Cash and cash equivalents – The carrying amount reported in the consolidated balance sheet approximates fair value because of the short maturity of those instruments.

Investments - The carrying amount reported in the consolidated balance sheet approximates fair value because of the liquidity of the certificates of deposit.

Notes payable – The carrying amount reported in the consolidated balance sheets approximates fair value because the Organization can obtain similar loans at the same terms.

3. Property and Equipment

Property and equipment consisted of the following:

	<u>2015</u>	<u>2014</u>
Land	\$ 718,427	\$ 718,427
Building and improvements	5,670,162	5,670,162
Furniture, fixtures, and equipment	<u>1,364,376</u>	<u>1,331,701</u>
Total cost	7,752,965	7,720,290
Less accumulated depreciation	<u>1,698,003</u>	<u>1,444,257</u>
Total cost, less accumulated depreciation	6,054,962	6,276,033
Construction in progress	<u>92,721</u>	-
Property and equipment, net	<u>\$ 6,147,683</u>	<u>\$ 6,276,033</u>

GOODWIN COMMUNITY HEALTH AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2015 and 2014

The Organization's building was constructed with Federal grant funding under the American Recovery and Reinvestment Act (ARRA) – Facilities Improvement Program. In accordance with the grant agreements, a Notice of Federal Interest (NFI) is required to be filed in the appropriate official records of the jurisdiction in which the property is located. The NFI is designed to notify any prospective buyer or creditor that the Federal Government has a financial interest in the real property acquired under the aforementioned grant; that the property may not be used for any purpose inconsistent with that authorized by the grant program statute and applicable regulations; that the property may not be mortgaged or otherwise used as collateral without the written permission of the Associate Administrator of the Office of Federal Assistance Management, Health Resources and Services Administration (OFAM, HRSA); and that the property may not be sold or transferred to another party without the written permission of the Associate Administrator of OFAM, HRSA.

4. Line of Credit

The Organization has a \$200,000 line of credit with Frisbie Memorial Hospital. The line of credit is interest free, unsecured, and due on demand. The outstanding balances on the line of credit at June 30, 2015 and 2014 were \$56,500 and \$193,500, respectively.

5. Long-term Debt

Long-term debt consists of the following:

	<u>2015</u>	<u>2014</u>
Variable rate note payable to a local bank, payable in monthly installments of \$4,464, including interest at 4.75%, through December 2018, at which time the interest will be adjusted to the Federal Home Loan Bank of Boston Rate plus 2.5% and every five years thereafter through December 2029, collateralized by real estate which is subject to a Notice of Federal Interest (see Note 3).	\$ 556,504	\$ 584,049
Note payable to a not-for-profit corporation, payable in monthly installments of \$8,069, including interest at 5.25%, through September 2017, collateralized by real estate which is subject to a Notice of Federal Interest (see Note 3) and all other assets.	205,217	288,858
Note payable to a local bank, payable in monthly installments of \$1,860, including interest at 4.75%, through January 2019, collateralized by all assets.	73,251	90,112
Note payable, New Hampshire Health and Education Facilities Authority, payable in monthly installments of \$1,709, including interest at 1.00%, through July 2016. The note is unsecured.	22,093	42,275

GOODWIN COMMUNITY HEALTH AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Variable rate note payable to a local bank, payable in monthly installments of \$596, including interest at Prime plus 1.5% with a 4% floor, currently at 4.75%, through June 2017, collateralized by all assets of GBMHA and an unlimited corporate guaranty of GCH.	<u>12,956</u>	<u>19,307</u>
Total long-term debt	870,021	1,024,601
Less current maturities	<u>161,740</u>	<u>154,716</u>
Long-term debt, less current maturities	\$ <u>708,281</u>	\$ <u>869,885</u>

The Organization is required to meet certain administrative and financial covenants under various loan agreements included above. The Organization is in compliance with all loan covenants at June 30, 2015.

Maturities of long-term debt for the next five years follows:

2016	\$ 161,740
2017	150,098
2018	75,377
2019	42,728
2020	33,120

Cash paid for interest approximates interest expense.

6. Patient Service Revenue

Patient service revenue is as follows:

	<u>2015</u>	<u>2014</u>
Medicare	\$ 638,547	\$ 503,327
Medicaid	3,131,251	2,344,536
Third-party payers and private pay	<u>2,131,634</u>	<u>1,902,460</u>
Medical and dental patient service revenue	5,901,432	4,750,323
340B pharmacy revenue	<u>244,614</u>	<u>-</u>
Total patient service revenue	\$ <u>6,146,046</u>	\$ <u>4,750,323</u>

GOODWIN COMMUNITY HEALTH AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2015 and 2014

The Organization has agreements with the Centers for Medicare and Medicaid Services (Medicare) and New Hampshire Medicaid. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. The management believes that the Organization is in compliance with all laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action including fines, penalties and exclusion from the Medicare and Medicaid programs. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in patient service revenue in the year that such amounts become known.

A summary of the payment arrangements with major third-party payers follows:

Medicare

As an FQHC, the Organization is reimbursed for the care of qualified patients at specified interim contractual rates during the year. Differences between the Medicare interim contractual rate and the cost of care as defined by the Principles of Reimbursement governing the program are determined and settled on a retrospective basis. Overall, reimbursement is subject to a maximum allowable rate per visit. The Organization's Medicare cost reports have been audited by the Medicare administrative contractor through June 30, 2013.

Other Payers

The Organization also has entered into payment agreements with Medicaid and certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to the Organization under these agreements includes prospectively determined rates per visit, discounts from established charges and capitated arrangements for primary care services on a per member, per month basis.

The Organization provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. The Organization estimates the costs associated with providing charity care by calculating the ratio of total cost to total charges, and then multiplying that ratio by the gross uncompensated charges associated with providing care to patients eligible for free care. The estimated cost of providing services to patients under the Organization charity care policy amounted to approximately \$486,000 and \$680,000 for the years ended June 30, 2015 and 2014, respectively.

The Organization is able to provide these services with a component of funds received through local community support and federal and state grants.

7. Retirement Plan

The Organization has a defined contribution plan under Internal Revenue Code Section 401(k) that cover substantially all employees. In 2011, the Organization temporarily suspended the employer match.

GOODWIN COMMUNITY HEALTH AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2015 and 2014

8. WIC Food Vouchers

The Organization acts as a conduit for the State of New Hampshire's Special Supplemental Food Program for Women, Infants and Children (WIC). This program is funded by the U.S. Department of Agriculture (CFDA #10.565). The value of food vouchers distributed by the Organization was \$1,570,536 and \$1,572,910 for the years ended June 30, 2015 and 2014, respectively. These amounts are not included in the accompanying consolidated financial statements as they are not part of the contract the Organization has with the State of New Hampshire for the WIC program.

9. Concentration of Risk

The Organization has cash deposits in major financial institutions which exceed federal depository insurance limits. The financial institutions have a strong credit rating and management believes the credit risk related to these deposits is minimal.

The Organization grants credit without collateral to its patients, most of who are local residents and are insured under third-party payer agreements. At June 30, 2015 and 2014, Medicaid represented 31% and 30%, respectively, of gross accounts receivable. No other individual payer source exceeded 10% of the gross accounts receivable balance.

10. Commitments and Contingencies

Medical Malpractice Insurance

The Organization is protected from medical malpractice risk as an FQHC under the Federal Tort Claims Act (FTCA). As of June 30, 2015, there were no known malpractice claims outstanding which in the opinion of management, will be settled for amounts outside of FTCA coverage, nor are there any unasserted claims or incidents which require loss accrual.

GOODWIN COMMUNITY HEALTH AND SUBSIDIARIES

Consolidating Balance Sheet

June 30, 2015

ASSETS

	Goodwin Community Health	Great Bay Mental Health Associates	<u>Eliminations</u>	2015 <u>Consolidated</u>
Current assets				
Cash and cash equivalents	\$ 1,632,421	\$ 37,467	\$ -	\$ 1,669,888
Patient accounts receivable , net	553,922	103,801	(122,445)	535,278
Grants receivable	472,843	-	-	472,843
Other current assets	<u>23,594</u>	<u>1,878</u>	<u>-</u>	<u>25,472</u>
Total current assets	2,682,780	143,146	(122,445)	2,703,481
Investments	200,125	-	-	200,125
Property and equipment, net	6,145,032	2,651	-	6,147,683
Goodwill	<u>45,000</u>	<u>-</u>	<u>(27,418)</u>	<u>17,582</u>
Total assets	<u>\$ 9,072,937</u>	<u>\$ 145,797</u>	<u>\$ (149,863)</u>	<u>\$ 9,068,871</u>

LIABILITIES AND NET ASSETS (DEFICIT)

Current liabilities				
Line of credit	\$ 56,500	\$ -	\$ -	\$ 56,500
Accounts payable and accrued expenses	181,271	124,973	(122,445)	183,799
Accrued payroll and related expenses	358,224	75,256	-	433,480
Current portion of long-term debt	<u>155,389</u>	<u>6,351</u>	<u>-</u>	<u>161,740</u>
Total current liabilities	751,384	206,580	(122,445)	835,519
Long-term debt, less current maturities	<u>701,676</u>	<u>6,605</u>	<u>-</u>	<u>708,281</u>
Total liabilities	1,453,060	213,185	(122,445)	1,543,800
Net assets (deficit)				
Unrestricted	<u>7,619,877</u>	<u>(67,388)</u>	<u>(27,418)</u>	<u>7,525,071</u>
Total liabilities and net assets (deficit)	<u>\$ 9,072,937</u>	<u>\$ 145,797</u>	<u>\$ (149,863)</u>	<u>\$ 9,068,871</u>

GOODWIN COMMUNITY HEALTH AND SUBSIDIARIES

Consolidating Statement of Operations and Changes in Net Assets

Year Ended June 30, 2015

	Goodwin Community Health	Great Bay Mental Health Associates	<u>Eliminations</u>	2015 <u>Consolidated</u>
Operating revenue and support				
Patient service revenue	\$ 5,322,573	\$ 823,473	\$ -	\$ 6,146,046
Provision for bad debts	<u>(256,074)</u>	<u>1,030</u>	<u>-</u>	<u>(255,044)</u>
Net patient service revenue	5,066,499	824,503	-	5,891,002
Grant revenue	3,219,481	1,207	-	3,220,688
Other operating revenue	<u>172,078</u>	<u>91,358</u>	<u>(53,280)</u>	<u>210,156</u>
Total operating revenue and support	<u>8,458,058</u>	<u>917,068</u>	<u>(53,280)</u>	<u>9,321,846</u>
Operating expenses				
Salaries and benefits	5,182,403	732,415	-	5,914,818
Other operating expenses	1,365,911	139,200	(53,280)	1,451,831
Depreciation	252,522	1,221	-	253,743
Interest expense	<u>45,167</u>	<u>258</u>	<u>-</u>	<u>45,425</u>
Total operating expenses	<u>6,846,003</u>	<u>873,094</u>	<u>(53,280)</u>	<u>7,665,817</u>
Excess of revenues over expenses	1,612,055	43,974	-	1,656,029
Grants for capital acquisition	<u>125,397</u>	<u>-</u>	<u>-</u>	<u>125,397</u>
Increase in unrestricted net assets	1,737,452	43,974	-	1,781,426
Unrestricted net assets (deficit), beginning of year	<u>5,882,425</u>	<u>(111,362)</u>	<u>(27,418)</u>	<u>5,743,645</u>
Unrestricted net assets (deficit), end of year	<u>\$ 7,619,877</u>	<u>\$ (67,388)</u>	<u>\$ (27,418)</u>	<u>\$ 7,525,071</u>



Goodwin
Community Health

Board of Directors
Fiscal Year 2017

Name	Occupation
<u>Chair</u> David B. Staples, DDS	Dentist Consumer
<u>Vice Chair</u> Valerie Goodwin	Business Consumer
<u>Treasurer</u> Mark Boulanger	CPA
<u>Secretary</u> Jennifer Glidden	DHHS Admin. Supervisor Consumer
Don Chick	Photographer Consumer
Stacie Collucci	Interim Healthcare Account Executive Consumer
Whitney Galeucia	Consumer
Lisa Hall	Retired Accountant
Allyson Hicks	Hospital Finance Director
Mathurin Malby, MD	Physician
Allison Neal	Education Consultant Consumer
Marissa Scott	Music Therapist Consumer
Jeffrey Segil, MD	Physician-OB/GYN
Eric Tolbert Kilchenstein	Attorney

JANET MARIE LAATSCH

Professional Health Care Administrator with years of leadership experience
in operations, finance and development.

SUMMARY OF SKILLS

*Budget Development and Management * Financial projections * Grant Writing * Development
Strategic Planning * Relationship Building * Patient Satisfaction
Quality Improvement * Provider Recruitment and Retention*

PROFESSIONAL EXPERIENCE

Goodwin Community Health, Somersworth, NH –An Innovative Federally Qualified Health Center with an integrated health care model quoted by the Commissioner as the ‘model of the future’ for NH.

Executive Director

2005-Present

- Created an innovative, affordable health care program for small-medium businesses
- Created strategic partnerships and collaborative programs with other health care organizations
- Advanced the Health Center by receiving \$5.8M in grant funding for a new building
- Merged three locations into one, reduced costs and improved access
- Secured over \$25M in grant funding since 2001
- Initiated and integrated behavioral and primary care
- Realized revenue growth through increased collections
- Performed ongoing Board development
- Acquired a for-profit mental health practice
- Successful recruitment and retention of providers
- Submitted and awarded NCQA Medical Home, Level III Certification
- Demonstrated improvements in patient outcomes and satisfaction

CEO Great Bay Mental Health Associates

2012-Present

- Recruited seven new therapist/prescribers
- Recognized a surplus for the first time in 12 months

Finance Director

2003-2005

- Awarded Federally Qualified Health Center grant in 2004-\$750,000 in perpetuity
- Additional grant award for \$150,000 to expand into behavioral health
- Obtained \$450,000 in grants to initiate the oral health program
- Ended each year with a surplus
- Successful integration of oral health and primary care

Fund Development

2001-2003

- 80% success rate for grants
- Successful annual appeals

Grant Writing Services, N. Hampton, NH Sole Proprietor

1999-2001

- Successfully wrote and received grants for health care organizations and education
- Development of a business plan for a local specialist practice.

North Shore Medical Center (Partners Health Care) Salem, MA Consultant for North Shore Community Health Center	1998-1999
- Hired for a year to improve cash flow and operations - Successfully ended up with a surplus - Recruitment of a Medical Director, and other providers - Successful obtained state and federal funding to support the Health Center	
Director of Nursing for ambulatory and emergency care	1993-1998
- Co-Chair of the Nursing Quality Improvement Committee - Increased revenue per visit in the emergency room - Successfully prepared new clinics for licensure and accreditation - Community Benefit liaison for the hospital - Co-Chair of the Community Health Network for the North Shore Hospital - Obtained several awards from Partners Health Care for Community Leadership	
Manager of Intermediate Cardiac Care and Telemetry Unit	1991-1993
- Reduction in length of stay by 1.5 days - Development of a new 24 hour observation unit for patients with chest pain - Increased skill level of nursing staff to reduce cardiac care length of stay - Implementation of new patient care models to reduce the cost of care	
Registered Nurse- Various positions as a RN including ICU, ER, Boston Visiting Nurse Assoc.	1981-1991

EDUCATION:

University of New Hampshire: M.B.A. Durham, N.H. Concentration in Finance	Graduated 1991
Northern Michigan University: B.S.N. Marquette, M.I. Minor in Biology	1981

VOLUNTEER ACTIVITIES:

Rochester NH Rotary Member and Past President
Board member Community Health Access Network
Board member for Bi-State Primary Care Association
Past United Way of the Greater Seacoast Board Member

LICENSES:

N.H. Real Estate Broker
N.H. Nursing License

INTERESTS/PERSONAL:

Running, hiking, reading, leadership development

Whitney E. Goode

Educational Experience

- **Tufts University School of Dental Medicine**, Boston, Massachusetts
DMD, 2007
- **Kalamazoo College**, Kalamazoo, Michigan
Bachelor of Liberal Arts, 2003 Major: Chemistry
- **L'Ecole Supérieure de Commerce**, Clermont-Ferrand, France
7 month study abroad program, completed an Inter Cultural Research Project entitled
“The ways in which the Secours Catholique helps underprivileged families in French
society”

Work Experience

- **Avis Goodwin Community Health Care** (August 2007- Present)
Staffed Dentist
- **Community Health Center of South Dade** (May – June 2006)
Participated in community service externship under the direction of Dr. Sheri Watson
- **Kalamazoo College** (2002-2003)
Performed research under the direction of Dr. Regina Stevens-Truss
- **Karmanos Cancer Institute** (June – August 2001)
Acted as a research assistant to Dr. Diane Brown, volunteered at the Walt Breast Clinic
- **Kalamazoo College Peer Leader** (2001-2001)
Served as a peer leader to the incoming class of 2004
- **Port Huron Municipal Marinas** (June-September 1999, 2000)
Position: Dock Attendant
- **Dr. Goode's Dental Office** (1996-2000 sporadically)

Whitney E. Goode

Discovered the various aspects of a dentist and a dental office's work

Research/Scientific Achievements

- **Kalamazoo College**

Research project entitled "*Spectrophotometric analysis of nitric oxide synthase: Effects of solvent composition on the heme pocket*" published in 2003

- **Karmanos Cancer Institute in cooperation with Wayne State University**

Research project entitled "*The effects of spiritual based therapy on the emotional well-being of African American Breast Cancer Patients*" published in 2004

- Assisted in research for a medical publication and debate on orthopedic surgery. "*The Successful Treatment of Cubital Tunnel Syndrome Does Not Require Transposition of the Ulnar Nerve: proponents Statement*" published in the Journal of Hand Surgery November 1999

- **MASTER (Math and Science Technology Enriched Research) (1995-1999)**

- St. Claire County Science and Engineering Fair (1996-1999)

~1996 "*The effects of fluoride on tooth decay*" 2nd Place

~1997 "*the effects of wearing orthodontics and the stress on your body*" 1st Place

~1999 "*the effects of ethlenediamineietracetic acid on vitamin B3 deficiency in irradiated poultry*" 1st Place

~1998 "*the effects of ethlenediamineietracetic acid on poultry bacteria's susceptibility to irradiation*" Grand Prize

- International Science and Engineering Fair, Ft. Worth, TX (May 1998)

~ 2nd Place with same 1998 project

Other Acheivements

- Dental Class Secretary (2003-2004) and (2005-2007)

Whitney E. Goode

- Delta Sigma Delta Dental Fraternity Secretary (2005-2006)
- Kalamazoo College Honors Award (four year merit scholarship)
- Chairperson, National Honor Society (1998-1999)
- Rotary Exchange Student Williamshaven, Germany (July 1997)

Activities

- Member, Smile Squad, Tufts University (2003-2007)
- Member, Delta Sigma Delta, Tufts University (2003-2007)
- Member, SAC (Student Activities Committee), Kalamazoo College (1999-2003)
- Member & Secretary, American Chemical Society, Kalamazoo College (1999-2003)
- Volunteer, K Crew (Admissions Office Volunteer) Kalamazoo College (1999-2003)
- Soccer, travel, high school and intramural college (1991-1999, 2002-2003)
- Volunteer, Red Cross, Kalamazoo, MI and Port Huron, MI (1997-2001)
- Mentor, Bridge Builders Counseling Center, Port Huron, MI (1997-1999)

Erin E. Ross

Objective

Obtain a position in Health Care, which will continue to build knowledge and skills from both education and experiences gained.

Qualifications

Mature, energetic individual possessing management experience, organizational skills, multi-tasking abilities, good work initiative and communicates well with internal and external contacts. Proficient in computer skills.

Education

September 1998 – May 2002

Bachelor of Science in Health Management & Policy
University of New Hampshire
Durham, New Hampshire 03824

Related Experience

July 2011 – Present

Chief Financial Officer
Goodwin Community Health

- Responsible for financial oversight of center to include supervision of accountant, bookkeeper, billing department and all clinical administrative staff.
- Assist Executive Director in budgeting process each fiscal year for center.
- Generate and assist with financial aspects of all center grants received.
- Complete on an as needed basis finance analysis's of various agency programs.
- Participate in agency fiscal audit at the end of each fiscal year.
- Member of Board of Directors level Finance Committee

August 2006 – June 2011

Service Expansion Director
Avis Goodwin Community Health Center

- Responsible for the overall function of the Winter St location of Avis Goodwin Community Health Center.
- Maintain all clinical equipment and order all necessary supplies.
- Coordinate the scheduling of all clinical and administrative staff in the office.
- Assist with the continued integration of dental services and now mental health services to existing primary care services.
- Assist with the integration of private OB/GYN practice into Avis Goodwin Community Health Center.
- Organize patient outcome data collection and quality improvement measures to monitor multiple aspects and assure sustainability for Avis Goodwin Community Health Center.

January 2005 – August 2006

Site Manager, Dover Location & Front Office Manager
Avis Goodwin Community Health Center

- Responsible for the overall function of the Dover location of Avis Goodwin Community Health Center.
- Maintain all clinical equipment and order all necessary supplies.
- Assist with the continued integration of dental services and now mental health services to existing primary care services.
- Coordinate the scheduling of all clinical and administrative staff in the office.
- Organize patient outcome data collection and quality improvement measures to monitor multiple aspects and assure sustainability for Avis Goodwin Community Health Center.
- Supervise, hire and evaluate front office staff of both Avis Goodwin Community Health Center locations.
- Develop and implement policies and procedures for the smooth functioning of the front office.

May 2004 – January 2010

Dental Coordinator
Avis Goodwin Community Health Center

- Supervise, hire and evaluate dental staff, including Dental Assistant and Hygienists.
- Acted as general contractor during construction and renovation of existing facility for 4 dental exam rooms.
- Responsible for the operations of the dental center, development of educational programs for providers and staff and supervision of the school-based dental program.
- Developed policy and procedure manual, including OSHA and Infection Control protocols.
- Organize patient outcome data collection and quality improvement measures to monitor dental program and assure sustainability.
- Maintain all dental equipment and order all dental supplies.
- Coordinate grant fund requirements to multiple agencies on a quarterly basis.

- Oversee all aspects of billing for dental services, including training existing billing department staff.

July 2003 – May 2004

Administrative Assistant to Medical Director

Avis Goodwin Community Health Center

- Assist with Quality Improvement program by attending all meetings, generating monthly minutes documenting all aspects of the agenda and reporting quarterly data followed by the agency.
- Generate a monthly report reflecting provider productivity including number patients seen by each provider and no show and cancellation rates of appointments.
- Served as a liaison between patients and Chief Financial Officer to effectively handle all patient concerns and compliments.
- Established and re-created various forms and worksheets used by many departments.

December 2002 – May 2004

Billing Associate

Avis Goodwin Community Health Center

- Organize and respond to correspondence, rejections and payments from multiple insurance companies.
- Created an Insurance Manual for Front Office Staff and Intake Specialists as an aide to educate patients on their insurance.
- Responsible for credentialing and Re-credentialing of providers, including physicians, nurse practitioners and physician assistants, within the agency and to multiple insurance companies.
- Apply knowledge of computer skills, including Microsoft Office, Logician, PCN and Centricity.
- Designed a statement to generate from an existing Microsoft Access database for patients on payment plans to receive monthly statements.
- Assist Front Office Staff during times of planned and unexpected staffing shortages.

June 2002 - December 2002

Billing Associate

Automated Medical Systems

Salem, New Hampshire 03079

- Communicate insurance benefits and explain payments and rejections to patients about their accounts.
- Responsible for organizing and responding to correspondence received for multiple doctor offices.
- Determine effective ways for rejected insurance claims to get paid through communicating with insurance companies and patients.
- Apply knowledge of computer skills, including Microsoft Office, Accuterm and Docstar.

Work Experience

October 1998 – May 2002

Building Manager

Memorial Union Building – UNH

Durham, New Hampshire 03824

- Recognized as a Supervisor, May 2001-May 2002.
- Supervised Building Manager and Information Center staff.
- Responsible for managing and documenting department monetary transactions.
- Organized and led employee meetings on a weekly basis.
- Established policies and procedures for smooth functioning of daily events.
- Oversaw daily operations of student union building, including meetings and campus events.
- Served as a liaison between the University of New Hampshire, students, faculty and community.
- Organized and maintained a weekly list of rental properties available for students.
- Developed and administered new ideas for increased customer service efficiency.

References

Available upon request

Goodwin Community Health

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Janet Laatsch	Chief Executive Officer	\$153,760	0%	\$0
Whitney Goode, DMD	Dental Director	\$161,179	4%	\$6,447.17
Erin Ross	Chief Financial Officer	\$102,507	0%	\$0

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF COMMUNITY BASED CARE SERVICES

BUREAU OF ELDERLY & ADULT SERVICES

Nicholas A. Toumpas
 Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857

603-271-9203 1-800-351-1888

Diane Langley
 Director

Fax: 603-271-4643 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

August 10, 2015

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Community Based Care Services, Bureau of Elderly and Adult Services to enter into Agreements with the vendors listed below to provide to provide dental treatment to adults age sixty (60) and up in need of early or immediate intervention and who lack financial resources. No maximum client or service volume is guaranteed. Accordingly, the price limitation among all Agreements is \$27,886. The Agreements are effective upon the date of Governor Executive Council approval through September 30, 2016. 100% Federal Funds.

Vendor	Vendor #	Vendor Location
Easter Seals New Hampshire, Inc.	177204-B005	Manchester, NH
Families First of the Greater Seacoast	166629-B001	Portsmouth, NH
Goodwin Community Health	154703-B001	Somersworth, NH
Harbor Homes, Inc.	155358-B001	Nashua, NH
Mid-State Health Center	158055-B001	Plymouth, NH
Tri-County Community Action Program, Inc.	177195-B011	Tamworth, NH

Funds to support this request are anticipated to be available in the following account in State Fiscal Year 2016 and State Fiscal Year 2017 upon availability and continued appropriation of funds in the future operating budget, with authority to adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

05-95-48-481010-8917 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADM ON AGING GRANTS

Fiscal Year	Class/Object	Class Title	Total Amount
SFY 2016	102-500731	Contracts for Program Services	\$22,309
SFY 2017	102-500731	Contracts for Program Services	\$5,577
			\$27,886

EXPLANATION

Approval of these contracts will allow the Department to continue the Oral Health program for seniors. The Department's contracted hygienist conducts oral health screenings of older adults in community-based settings, including senior centers and meal sites. Based on screening results and a corresponding oral health questionnaire, individuals are identified who have pain, infection, severe

decay and/or suspicious lesions and who also do not have financial resources or dental insurance to help pay for treatment. Eligible individuals are then referred by the Department to one of these contracted dentists to receive needed dental care.

The dentist will be reimbursed according to a fixed fee schedule up to \$2,000 per individual. This fee schedule is based on the dental services and fees provided to adults in the Department of Health and Human Services Human Immunodeficiency Virus program.

The Department published a Request for Application for Licensed Dentists and Oral Surgeons (RFA #16-DHHS-DCBCS-BEAS-RFA-01) on the Department of Health and Human Services website February 10, 2015 to March 23, 2015. The Department received six applications. The applications were reviewed by a program Administration and Program Specialist in the Bureau of Elderly and Adult Services. All six applications were selected. (See attached Summary Score Sheet).

The Contract contains language that Department reserves the right to renew the contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of contracted services and Governor and Executive Council approval.

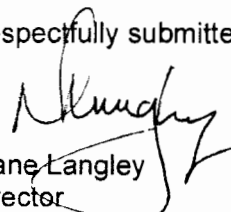
Should the Governor and Executive Council not approve this request, then adults age 60 and older with immediate dental need but without access to care will continue to face barriers to dental treatment and remain at high risk for compromised health. A growing body of evidence links dental disease and periodontal infection to diabetes, heart disease and stroke. Oral health interventions could improve the oral health of older adults, support their well-being and prevent the need for more costly care.

Area to be Served: Statewide

Source of Funds: 100% Federal from the United States Department of Health and Human Services, Administration for Community Living, Title III, Part D Disease Prevention and Health Promotion Services, Catalog of Federal Domestic Assistance (CFDA) #93.043 and Federal Award Identification 15AANHT3PH.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,


Diane Langley
Director

Approved by: 
Nicholas A. Toumpas
Commissioner



New Hampshire Department of Health and Human Services
Office of Business Operations
Contracts & Procurement Unit
Summary Scoring Sheet

Licensed Dentists and Oral Surgeons
RFP Name

16-DHHS-DCBCS-BEAS-RFA-01
RFP Number

Bidder Name

1. Easter Seals of New Hampshire, Inc.
2. Families First of the Greater Seacoast
3. Goodwin Community Health
4. Harbor Homes, Inc.
5. Mid-State Health Center
6. Tri-County Community Action Program, Inc.

Reviewer Names

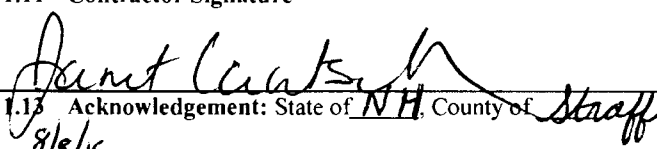
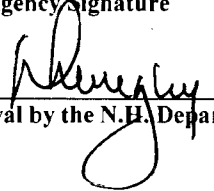
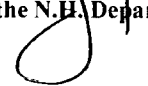
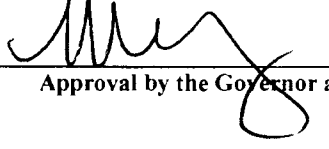
1. Tracey Tarr, Administrator
2. Margaret Morril, Program Specialist
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.

Maximum Points	Actual Points
100	80
100	97
100	78
100	72
100	95
100	70

Subject: Senior Oral Health Program**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS**1. IDENTIFICATION.**

1.1 State Agency Name Department of Health & Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Goodwin Community Health		1.4 Contractor Address 311 Route 108 Somersworth, NH 03878	
1.5 Contractor Phone Number 603-749-2346	1.6 Account Number 05-95-48-481010-8917-102-500731	1.7 Completion Date September 30, 2016	1.8 Price Limitation \$27,886.
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Goodwin Community Health Janet Laatsch, CEO	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Stafford</u> On <u>8/15/15</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or ~~Justice of the Peace~~ [Seal] 			
1.13.2 Name and Title of Notary or Justice of the Peace <u>Ann E. Morrissette, Bookkeeper</u>			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory <u>D. Langley, Director</u>	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By:  Director, On:			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Megan A. York, Attorney On: <u>8/27/15</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.
7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination

Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("Workers' Compensation").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.



Scope of Services

1. SCOPE OF SERVICES:

1.1. The Contractor will:

1.1.1. Provide dental treatments to adults ages 60 and up who need early or immediate intervention and lack the financial resources for dental treatment, and who reside in any city or town in New Hampshire, as follows:

1.1.1.1. Accept client referrals from the Department;

1.1.1.2. Complete an oral health diagnosis for each client;

1.1.1.3. Diagnose oral health issues and problems and develop a dental treatment plan based on the client's identified oral health and/or treatment needs;

1.1.1.4. Schedule and remind clients of their dental appointments;

1.1.1.5. Perform, with the individual's approval, dental services and treatment in accordance with the Exhibit B-1 Dental Fee Schedule up to a \$2,000 limit per individual patient for the contract period;

1.1.1.6. Follow up with clients to ensure their pain or infection was alleviated after receiving dental treatment(s);

1.1.1.7. Provide client level data in a secure, electronic format as specified by the Department for completion of required reports; and

2. Licensing Requirements:

The Contractor will ensure that the dentist(s) performing services under this agreement, including any subcontract agreements, must possess a current dental license issued by the State of New Hampshire Board of Dental Examiners.

3. Cultural Considerations:

The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

4. Criminal Background Check:

Contractor shall conduct a New Hampshire criminal background check for a potential applicant for employment or volunteer, funded under this contract.



5. DHHS' Bureau of Elderly and Adult Services' (BEAS) State Registry:

Contractors which are licensed, certified or funded by the DHHS shall meet the requirements of RSA 161-F: 49 Registry, VII, which requires that all employers of programs that are licensed, certified, or funded by the NH Department of Health and Human Services to provide services, submit the name of prospective employees who may have client contact for review against the registry of founded reports of abuse, neglect, and exploitation of incapacitated adults.

6. Contract Monitoring

6.1. The Contractor will:

- 6.1.1. Participate in an "on-site review," conducted by the Department, of the records of clients who received dental care and treatment in the program.
- 6.1.2. Ensure the Department has access sufficient for monitoring of contract compliance requirements as identified in OMB Circular A-133.
- 6.1.3. Ensure the Department is provided with access that includes but is not limited to:
 - 6.1.3.1. Data;
 - 6.1.3.2. Financial records;
 - 6.1.3.3. Scheduled access to Contractor work sites/locations/work spaces and associated facilities;
 - 6.1.3.4. Unannounced access to Contractor work sites/locations/work spaces and associated facilities;
 - 6.1.3.5. Scheduled phone access to Contractor principals and staff.

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Exhibit B

Method and Conditions Precedent to Payment

1. Price Limitation. This Agreement is one of multiple Agreements that will serve the Senior Oral Health Program. No maximum or minimum client and service volume is guaranteed. Accordingly, the price limitation among all Agreements is identified in Block 1.8 of the P-37 for the duration of the Agreement.
2. Subject to the Contractor's compliance with the terms and conditions of the Agreement, the Department shall reimburse the Contractor for actual dental service(s) provided by the contractor to eligible individuals, resulting from referrals made by the Department and in accordance with Exhibit A, Scope of Services.
3. Reimbursement shall be based on the Senior Oral Health Program, Dental Fee Schedule, identified in Exhibit B-1.
4. Reimbursement Limits per Patient. Reimbursement is limited to \$2,000 per patient for during the Agreement period, depending on the availability of funding. Any additional treatment that exceeds the limit per patient shall be at the sole expense of the participating dental practice or clinic.
5. Contract dentists shall complete and submit Dental Claim Forms provided by the Bureau of Elderly and Adult Services for each client, due within 15 days from the date of treatment.
Dental Claim forms shall be sent to:
Bureau of Elderly and Adult Services
Administrator, Community Programs and Long-Term Care
129 Pleasant Street
Concord, NH 03301
6. Notwithstanding anything to the contrary herein, the Contractor agrees that payment under this Agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State Law, rule or regulation applicable to the services provided, or if the said services have not been satisfactory completed in accordance with the terms and condition of this Agreement.
7. The funding source for this Agreement for Dental Services is 100% federal funds from the Administration for Community Living, Title III, Part D, Disease Prevention and Health Promotion Services, CFDA 93.043. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.
8. The contractor shall have or secure a vendor number with the State of New Hampshire to receive payment from the DHHS.
9. The Contractor shall comply with the necessary steps established by the Department for making payments to vendors using Electronic Funds Transfer (EFT). Exceptions to using EFT for payment shall be made upon prior approval of the BEAS Financial Manager or designee.



Exhibit B-1

NH Bureau of Elderly and Adult Services, Older Adult Oral Health Program (ages 60+)
Dental Fee Schedule as of February 2015

Code	Procedure	Fee
D0120	Periodic oral evaluation	41.00
D0140	Limited oral evaluation	60.00
D0210	Intraoral-complete series	96.00
D0220	Intraoral-Periapical 1st film	15.00
D0230	Intraoral-Periapical each additional	10.00
D0270	Bitewings - Xray	17.00
D0272	Bitewings - two films	25.00
D0274	Bitewings - four films	45.00
D0330	Panoramic film	83.00
D2140	Amalgam - 1 surface	150.00
D2150	Amalgam - 2 surface	155.00
D2160	Amalgam - 3 surface	180.00
D2161	Amalgam - 4/4+ surface	200.00
D2330	Resin-1 surface anterior	131.00
D2331	Resin-2 surface anterior	143.00
D2332	Resin-3 surface anterior	147.00
D2335	Resin-4/4+ surface anterior	165.00
D2391	Resin-1 surface posterior	150.00
D2392	Resin-2 surface posterior	155.00
D2393	Resin-3 surface posterior	180.00
D2394	Resin-4/4+ surface posterior	200.00
D4341	Scaling and root planing (per quadrant)	100.00
D4355	Full mouth debridement	90.00
D5110	Complete denture-maxillary	800.00
D5120	Complete denture-mandibular	800.00
D5130	Immediate denture-maxillary	875.00
D5140	Immediate denture-mandibular	875.00
D5211	Maxillary partial-resin base	600.00
D5212	Maxillary partial-resin base	600.00
D5410	Adjust complete denture, maxillary	50.00
D5411	Adjust complete denture, mandibular	50.00
D5421	Adjust partial denture, maxillary	50.00
D5422	Adjust partial denture, mandibular	50.00
D5520	Replace denture teeth	127.00
D5750	Reline complete maxillary denture	244.00
D5751	Reline complete mandibular denture	244.00
D7140	Extraction-erupted/exposed	150.00
D7210	Extraction-surgical-imp bony	225.00
D7240	Removal of Impacted Tooth Tissue	225.00
D7310	Alveoloplasty - per quadrant	275.00
D7472	Removal of torus palatinus Mandibular 2 quadrants	400.00
D5760	Reline maxillary partial denture	99.00
D5761	Reline mandibular partial denture	99.00



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

Handwritten signature or initials of the contractor.

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New Hampshire Department of Health and Human Services
Exhibit C



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
- 8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
- 8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
- 9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

[Signature]

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Exhibit C



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports: Fiscal and Statistical:** The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
 - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.
18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF
WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
- When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
 - 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
 - 19.3. Monitor the subcontractor's performance on an ongoing basis

**New Hampshire Department of Health and Human Services
Exhibit C**



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

FINANCIAL MANAGEMENT GUIDELINES: Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

CONTRACTOR MANUAL: Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act. NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.

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REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 4. **CONDITIONAL NATURE OF AGREEMENT.**
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.
2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language:
 - 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
3. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:
 - 14.1.1 Comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$1,000,000 per occurrence with additional general liability umbrella coverage of not less than \$1,000,000.
4. The Department reserves the right to renew the Contract for up to two additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council.

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CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

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New Hampshire Department of Health and Human Services
Exhibit D



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

Contractor Name:

Date

8-5-15

Name:
Title:


Name: Janet Laatsch
Title: CEO

Contractor Initials



Date

8-5-15



CERTIFICATION REGARDING LOBBYING

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Contractor Name:

8-5-15
Date

Janet Laatsen
Name: Janet Laatsen,
Title: CEO



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

New Hampshire Department of Health and Human Services
Exhibit F



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (11)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name:

8-5-15
Date

Janet Laatsch
Name: Janet Laatsch
Title: CEO

Contractor Initials PL
Date 8-5-15



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Contractor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Contractor Initials

R

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Contractor agrees to comply with the provisions indicated above.

Contractor Name:

8-5-15
Date

Janet Loatsch
Name: Janet Loatsch
Title: CEO

Exhibit G

Contractor Initials RL

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Date 8-5-15



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Contractor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Contractor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Contractor Name:

Date 8-5-15

Name: *Janet Laatsch*
Title: CEO



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) Definitions.

- a. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

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8-5-18



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) **Business Associate Use and Disclosure of Protected Health Information.**

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
 - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI

8-5-15



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

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8-15-15



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) **Obligations of Covered Entity**

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) **Termination for Cause**

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) **Miscellaneous**

- a. **Definitions and Regulatory References.** All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. **Amendment.** Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. **Data Ownership.** The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. **Interpretation.** The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

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8-5-15



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) l, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health & Human Services
The State

[Signature]
Signature of Authorized Representative

Diane Lengua
Name of Authorized Representative

Director
Title of Authorized Representative

8/11/15
Date

Goodwin Community Health
Name of the Contractor

[Signature]
Signature of Authorized Representative

Janet Laatsch
Name of Authorized Representative

CEO
Title of Authorized Representative

8-5-15
Date



**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY
ACT (FFATA) COMPLIANCE**

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name:

8-5-15
Date

Janet Loatsch
Name: Janet Loatsch
Title: CEO

New Hampshire Department of Health and Human Services
Exhibit J



FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: _____
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO _____ YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

_____ NO _____ YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

**New Hampshire Department of Health and Human Services
Senior Oral Health Program**



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Senior Oral Health Program Contract**

This 1st Amendment to the Senior Oral Health Program contract (hereinafter referred to as "Amendment #1") dated June 21, 2016, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Harbor Homes, Inc. (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 45 High Street, Nashua, NH 03060.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on September 16, 2015, Item #16, the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to the General Provisions, Paragraph 18 of the Form P-37 and Exhibit C-1 Paragraph 4, the Department reserves the right to renew the contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council;

WHEREAS, the Department and the Contractor agree to extend the completion date by an additional two (2) years and to increase the price limitation;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree as follows:

1. Amend General Provisions (Form P-37), Block 1.7, Completion Date, by extending the date to September 30, 2018.
2. Amend General Provisions (Form P-37), Block 1.8, Price Limitation, to read: \$83,658.00.

[Signature]
7/7/16

New Hampshire Department of Health and Human Services
Senior Oral Health Program



This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

7/22/16
Date

Maureen Ryan
NAME Maureen Ryan
TITLE Director, Office of Human Services

07/07/16
Date

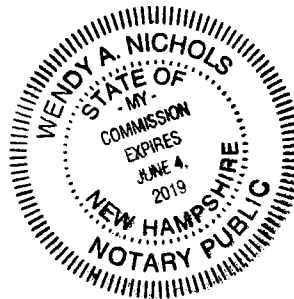
Harbor Homes, Inc.
Peter Kelleher
NAME Peter Kelleher
TITLE President & CEO

Acknowledgement:

State of NH, County of Hillsborough on July 7th, 2016, before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Wendy Nichols, Notary
Name and Title of Notary or Justice of the Peace



New Hampshire Department of Health and Human Services
Senior Oral Health Program



The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

Date

8/4/16

Name:

Title:

[Signature]

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:

Title:

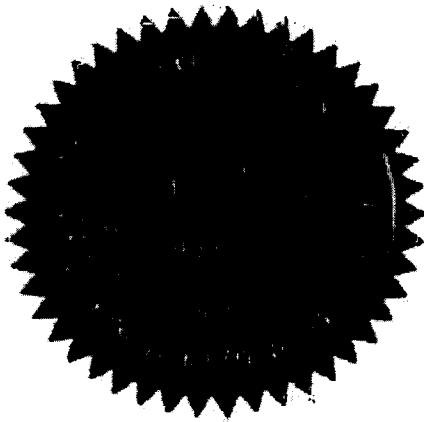
[Signature]
7/7/16

State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that HARBOR HOMES, INC. is a New Hampshire nonprofit corporation formed February 15, 1980. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 14th day of April A.D. 2016

A handwritten signature in black ink, appearing to read "Wm. Gardner", written in a cursive style.

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Kathy Costa, do hereby certify that:
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Harbor Homes Inc.
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of
the Agency duly held on 7/7/16:
(Date)

RESOLVED: That the President & CEO
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to
execute any and all documents, agreements and other instruments, and any amendments, revisions,
or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of
the 7th day of July, 2016
(Date Contract Signed)

4. Peter Kelleher is the duly elected President & CEO
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Kathy Costa
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Hillsborough

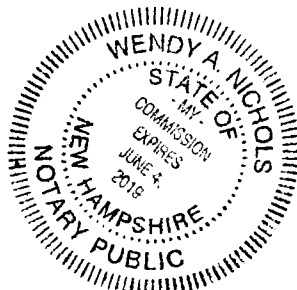
The forgoing instrument was acknowledged before me this 7th day of July, 2016.

By Kathy Costa
(Name of Elected Officer of the Agency)

Wendy Nichols, Notary
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: 6/4/19





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/7/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Eaton & Berube Insurance Agency, Inc. 11 Concord Street Nashua NH 03064		CONTACT NAME: Kimberly Gutekunst PHONE (A/C, No, Ext): 603-882-2766 E-MAIL ADDRESS: kgutekunst@eatonberube.com FAX (A/C, No):	
		INSURER(S) AFFORDING COVERAGE	
		INSURER A: Hanover Insurance	
		INSURER B: QBE Insurance Corp	
		INSURER C: Philadelphia Insurance Companies	
		INSURER D:	
		INSURER E:	
		INSURER F:	

COVERAGES**CERTIFICATE NUMBER:** 1942834943**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY ☐ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR ☒ Abuse GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☒ LOC	Y		ZBV970714702	7/1/2016	7/1/2017	EACH OCCURRENCE	\$1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$1,000,000
							MED EXP (Any one person)	\$10,000
							PERSONAL & ADV INJURY	\$1,000,000
							GENERAL AGGREGATE	\$3,000,000
							PRODUCTS - COMP/OP AGG	\$3,000,000
								\$
A	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☒ SCHEDULED AUTOS ☒ HIRED AUTOS ☒ NON-OWNED AUTOS			AHV9706003	7/1/2016	7/1/2017	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
A	☒ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE ☐ DED ☒ RETENTION \$0			UHV970913302	7/1/2016	7/1/2017	EACH OCCURRENCE	\$5,000,000
							AGGREGATE	\$5,000,000
								\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) ☐ Y/N ☒ N/A If yes, describe under DESCRIPTION OF OPERATIONS below			QWC3000636	11/26/2015	11/26/2016	☒ WC STATUTORY LIMITS ☐ OTHER	
							E.L. EACH ACCIDENT	\$500,000
							E.L. DISEASE - EA EMPLOYEE	\$500,000
							E.L. DISEASE - POLICY LIMIT	\$500,000
A C A	Professional Liability Management Liability Crime			New PHSD1049831 BMVA101342	7/1/2016 7/1/2016 7/1/2016	7/1/2017 7/1/2017 7/1/2017	\$1,000,000 \$1,000,000 \$510,000	\$3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Additional Named Insureds:
Harbor Homes, Inc. - FID# 020351932
Harbor Homes II, Inc.
Harbor Homes III, Inc.
Healthy at Homes, Inc. - FID# 043364080
Milford Regional Counseling Service, Inc. - FID# 222512360
See Attached...

CERTIFICATE HOLDER**CANCELLATION**

State of New Hampshire
Department of Health and Human Services
129 Pleasant St
Concord NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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**ADDITIONAL REMARKS SCHEDULE**Page 1 of 1

AGENCY Eaton & Berube Insurance Agency, Inc.		NAMED INSURED Harbor Homes, Inc 45 High Street Nashua NH 03060
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Southern New Hampshire HIV/AIDS Task Force -FID# 020447280
Welcoming Light, Inc. -FID# 020481648
HH Ownership, Inc.
Greater Nashua Council on Alcoholism dba Keystone Hall -FID# 222558859

45 High Street
Nashua, NH 03060
www.harborhomes.org



Phone: 603-882-3616
603-881-8438
Fax: 603-595-7414

A Beacon for the Homeless for Over 30 Years



Mission Statement

To create and provide quality residential and supportive services for persons (and their families) challenged by mental illness and homelessness.

A member of the

Partnership for Successful Living

A collaboration of six affiliated not-for-profit organizations providing southern New Hampshire's most vulnerable community members with access to housing, health care, education, employment and supportive services.
www.nhpartnership.org

Harbor Homes • Healthy at Home • Keystone Hall • Milford Regional Counseling Services
• Southern NH HIV/AIDS Task Force • Welcoming Light



HARBOR HOMES, INC.

Financial Statements

For the Year Ended June 30, 2015

(With Independent Auditors' Report Thereon)

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Harbor Homes, Inc.

Additional Offices:
Andover, MA
Greenfield, MA
Manchester, NH
Ellsworth, ME

Report on the Financial Statements

We have audited the accompanying financial statements of Harbor Homes, Inc., which comprise the statement of financial position as of June 30, 2015, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Harbor Homes, Inc. as of June 30, 2015, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Harbor Homes, Inc.'s fiscal year 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 15, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2015 on our consideration of the Harbor Homes, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Harbor Homes Inc.'s internal control over financial reporting and compliance.

Melanson Heath

December 10, 2015

HARBOR HOMES, INC.

Statement of Financial Position

June 30, 2015

(With Comparative Totals as of June 30, 2014)

	2015	2014
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents	\$ 181,328	\$ 170,384
Investments	10,289	-
Accounts receivable, net	1,020,434	1,008,099
Patient services receivable, net	290,292	428,836
Promises to give	-	50,000
Due from related organizations	90,703	24,522
Prepaid expenses	88,089	28,575
Total Current Assets	1,668,123	1,711,476
Noncurrent Assets:		
Property and Equipment, net of accumulated depreciation	20,069,439	19,989,007
Restricted deposits and funded reserves	346,027	320,291
Due from related organizations	318,935	352,502
Beneficial interest	149,503	148,204
Deferred compensation plan	91,837	40,836
Total Noncurrent Assets	20,975,841	20,860,940
Total Assets	\$ 22,644,964	\$ 22,572,416
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts payable	\$ 448,825	\$ 800,049
Accrued expenses	720,018	704,678
Due to related organizations	109,384	180,868
Line of credit	733,319	400,868
Deferred revenue	2,259	2,333
Current portion of capital leases payable	43,128	-
Current portion of mortgages payable	201,707	198,801
Total Current Liabilities	2,258,416	2,067,595
Long Term Liabilities:		
Security deposits	42,484	41,529
Deferred compensation plan	91,837	40,836
Other liabilities	-	13,783
Capital leases payable, net of current portion	61,431	-
Mortgages payable, tax credits	121,387	142,410
Mortgages payable, net of current portion	7,191,180	7,383,828
Mortgages payable, deferred	5,332,834	5,332,834
Total Long Term Liabilities	12,841,243	12,965,320
Total Liabilities	15,099,659	15,022,915
Unrestricted Net Assets	7,498,125	7,499,959
Temporarily Restricted Net Assets	47,180	49,542
Total Net Assets	7,545,305	7,549,501
Total Liabilities and Net Assets	\$ 22,644,964	\$ 22,572,416

The accompanying notes are an integral part of these financial statements.

HARBOR HOMES, INC.

Statement of Activities

For the Year Ended June 30, 2015

(With Comparative Totals for the Year Ended June 30, 2014)

	Unrestricted Net Assets	Temporarily Restricted Net Assets	2015 Total	2014 Total
Public Support and Revenue:				
Public Support:				
Federal grants	\$ 3,343,788	\$ -	\$ 3,343,788	\$ 6,117,734
State, local, and other grants	2,354,114	-	2,354,114	1,718,713
Contributions	397,840	47,050	444,890	273,062
Fundraising events	1,522	-	1,522	62,519
Net assets released from restriction	49,412	(49,412)	-	-
Total Public Support	6,148,656	(2,362)	6,144,294	8,162,028
Revenue:				
Department of Housing and Urban Development	2,872,237	-	2,872,237	2,781,628
Veterans Administrative grants	2,484,140	-	2,484,140	2,226,141
Contracted services	1,008,778	-	1,008,778	1,254,622
Patient service revenues, net (see Note 23)	893,197	-	893,197	227,575
Medicaid - Federal and State, net	820,177	-	820,177	789,803
Rent and service charges, net	438,744	-	438,744	655,416
Other fees and miscellaneous	212,486	-	212,486	279,258
Other patient revenues	144,598	-	144,598	91,975
Outside rent	110,841	-	110,841	95,816
Management fees	35,478	-	35,478	32,796
Interest	1,393	-	1,393	184
Unrealized gain/(loss)	1,315	-	1,315	20,185
Gain (loss) on disposal of fixed assets	332,618	-	332,618	601,751
Total Revenue	9,336,002	-	9,336,002	9,056,828
Total Public Support and Revenue	15,482,658	(2,362)	15,480,296	17,218,856
Expenses:				
Program	13,331,133	-	13,331,133	10,852,114
Administration	1,772,573	-	1,772,573	1,817,339
Fundraising	380,788	-	380,788	481,768
Total Expenses	15,484,492	-	15,484,492	13,151,221
Change in net assets	(1,834)	(2,362)	(4,196)	4,067,635
Net Assets, Beginning of Year	7,499,959	49,542	7,549,501	3,481,866
Net Assets, End of Year	\$ 7,498,125	\$ 47,180	\$ 7,545,305	\$ 7,549,501

The accompanying notes are an integral part of these financial statements.

HARBOR HOMES, INC.

Statement of Functional Expenses

For the Year Ended June 30, 2015

(With Comparative Totals for the Year Ended June 30, 2014)

	Program	Administration	Fundraising	2015 Total	2014 Total
Expenses:					
Accounting fees	\$ -	\$ 45,104	\$ -	\$ 45,104	\$ 48,400
Advertising and promotion	2,902	2,980	89	5,921	30,423
Client expenses	237,585	-	-	237,585	148,130
Conferences, conventions, and meetings	25,280	288	73	25,639	37,062
Contract labor	287,805	1,884	-	289,689	261,832
Employee benefits	740,851	265,821	48,032	1,054,704	838,648
Grants	257,722	-	-	257,722	285,418
Information technology	98,497	51,917	-	148,414	94,220
Insurance	83,672	15,389	1,346	100,407	94,021
Interest	413,629	43,128	1,088	457,853	419,945
Legal fees	5,185	20,157	325	25,677	47,942
Management fees	10,518	-	-	10,518	8,984
Occupancy	4,373,241	69,750	4,031	4,447,022	3,593,603
Office expenses	154,483	50,221	2,293	206,997	181,493
Operational supplies	137,619	598	468	138,685	99,313
Other expenses	20,321	36,234	19,128	75,683	75,445
Payroll taxes	398,451	68,687	23,027	491,165	482,708
Professional fees	225,431	52,621	2,828	280,880	237,612
Salaries and wages	4,888,532	900,109	272,338	6,040,999	5,320,845
Security deposits	139,407	900	-	140,307	117,348
Staff development and expenses	43,049	43,870	49	86,968	23,287
Travel	47,703	2,083	374	50,160	60,948
Total Expenses Before Depreciation	12,570,513	1,671,275	375,579	14,617,367	12,516,405
Depreciation and amortization	780,820	101,298	5,207	887,125	635,816
Total Functional Expenses	\$ 13,351,133	\$ 1,772,573	\$ 380,786	\$ 15,484,482	\$ 13,151,221

The accompanying notes are an integral part of these financial statements.

HARBOR HOMES, INC.

Statement of Cash Flows

For the Year Ended June 30, 2015

(With Comparative Totals for the Year Ended June 30, 2014)

	2015	2014
Cash Flows From Operating Activities:		
Change in net assets	\$ (4,196)	\$ 4,067,836
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation and amortization	867,125	635,816
(Gain) loss on disposal of fixed assets	(332,618)	(801,751)
(Gain) on beneficial interest	(1,299)	(18,967)
(Increase) Decrease in:		
Accounts receivable	(11,333)	(742,710)
Patient services receivable	138,594	-
Promises to give	50,000	50,000
Prepaid expenses	(37,494)	(1,372)
Increase (Decrease) in:		
Accounts payable	(151,424)	355,331
Accrued expenses	15,340	207,140
Deferred revenue	(74)	(81,324)
Other liabilities	(13,783)	9,535
Net Cash Provided by Operating Activities	518,838	3,898,333
Cash Flows From Investing Activities:		
Restricted deposits and funded reserves	(25,736)	(120,665)
Security deposits	965	4,107
Proceeds from sale of fixed assets	395,370	866,502
Purchase of fixed assets	(868,311)	(4,043,454)
Purchase of investments	(10,299)	-
Net Cash Used by Investing Activities	(508,011)	(3,293,430)
Cash Flows From Financing Activities:		
Borrowings from line of credit	1,584,496	-
Payments on line of credit	(1,232,045)	(407,000)
Payments on long term borrowings	(238,228)	(407,900)
Net change in due to/from related organizations	(84,118)	(80,131)
Net Cash Provided by (Used for) Financing Activities	10,105	(875,031)
Net Increase (Decrease)	20,932	(270,128)
Cash and Cash Equivalents, Beginning of Year	170,394	440,522
Cash and Cash Equivalents, End of Year	\$ 181,326	\$ 170,394
Supplemental disclosures of cash flow information:		
Interest paid	\$ 457,717	\$ 429,821
Non-cash financing activities	\$ 132,000	\$ 518,515

The accompanying notes are an integral part of these financial statements.

HARBOR HOMES, INC.

Notes to the Financial Statements

1. Organization:

Harbor Homes, Inc. (the Organization) is a nonprofit organization that creates and provides quality residential and supportive services for persons (and their families) challenged by mental illness and/or homelessness in the State of New Hampshire. Programs include mainstream housing, permanent housing, transitional housing, and emergency shelter, as well as comprehensive support services that include peer support programs, job training, a paid employment program, and social and educational activities.

In addition to housing and supportive services, the Organization runs a health care clinic that is a Federally Qualified Health Center (FQHC) offering primary medical services to the homeless and/or low-income individuals.

2. Summary of Significant Accounting Policies:

The following is a summary of significant accounting policies of the Organization used in preparing and presenting the accompanying financial statements.

Accounting for Contributions and Financial Statement Presentation

The Organization follows *Accounting for Contributions Received and Contributions Made* and *Financial Statements of Not-for-Profit Organizations* as required by the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC). Under these guidelines, the Organization is required to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. It also requires recognition of contributions, including contributed services, meeting certain criteria at fair values. These reporting standards establish standards for financial statements of not-for-profit organizations and require a Statement of Financial Position, a Statement of Activities, a Statement of Functional Expenses, and a Statement of Cash Flows.

Basis of Accounting

Revenues and expenses are reported on the accrual basis of accounting. Under this basis, revenues, other than contributions, and expenses are reported when incurred, without regard to the date of receipt or payment of cash. Contributions are reported in accordance with FASB ASC *Accounting for Contributions Received and Contributions Made*.

Restricted and Unrestricted Revenue

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

Allowance for Doubtful Accounts

The adequacy of the allowance for doubtful accounts for receivables is reviewed on an ongoing basis by the Organization's management and adjusted as required through the provision for doubtful accounts (bad debt expense). In determining the amount required in the allowance, management has taken into account a variety of factors.

Patient Services Receivable, Net

Patient services receivable result from the health care services provided by the Organization's federally qualified health care center. Additions to the allowance for doubtful accounts result from the provision for bad debts. Accounts written off as uncollectible are deducted from the allowance for doubtful accounts. The amount of the allowance for doubtful accounts is based upon management's assessment of historical and expected net collections, business and economic conditions, trends in Medicare and Medicaid health care coverage, and other indicators.

For receivables associated with services provided to patients who have third-party coverage, which includes patients with deductible and copayment balances due for which third-party coverage exists for part of the bill, the

Organization analyzes contractually due amounts and provides an allowance for doubtful collections and a provision for doubtful collections, if necessary. For receivables associated with self-pay patients, the Organization records a significant provision for doubtful collections in the period of service on the basis of its past experience, which indicates that many patients are unable to pay the portion of their bill for which they are financially responsible. The difference between the billed rates and the amounts actually collected after all reasonable collections efforts have been exhausted is charged off against the allowance for doubtful collections. The Organization has not changed its financial assistance policy in 2015. The Organization does not maintain a material allowance for doubtful collections from third-party payors, nor did it have significant write-offs from third-party payors.

Property and Equipment

Property and equipment is recorded at cost or, if donated, at estimated fair market value at the date of donation. Major additions and improvements are capitalized, while ordinary maintenance and repairs are charged to expense. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets. Assets not in service are not depreciated.

Patient Service Revenues, Net

Patient service revenues, net is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered. Self-pay revenue is recorded at published charges with charitable allowances deducted to arrive at net self-pay revenue. All other patient services revenue is recorded at published charges with contractual allowances deducted to arrive at patient services, net. Reimbursement rates are subject to revisions under the provisions of reimbursement regulations. Adjustments for such revisions are recognized in the fiscal year incurred. Included in third-party receivables are the outstanding uncompensated care pool payments.

Charity Care

The Organization provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Since the Organization does not pursue collection of amounts determined to qualify as charity care, these amounts are reported as deductions from revenue (see Note 23).

Functional Expenses

The costs of providing various programs and activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Donated Services

The Organization receives donated services from a variety of unpaid volunteers assisting the Organization in its programs. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition of such volunteer effort under generally accepted accounting principles have not been satisfied.

Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual amounts could differ from those estimates.

Tax Status

Harbor Homes, Inc. is exempt from federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3). The Organization has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions.

The Organization follows FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. FASB ASC 740-10 did not have a material impact on the Organization's financial statements.

The Organization's Federal Form 990 (Return of Organization Exempt From Income Tax) is subject to examination by the IRS, generally for three years after they were filed.

The Organization recognizes interest related to unrecognized tax benefits in interest expense and penalties that are included within reported expenses. During the year ended June 30, 2015, the Organization had no interest or penalties accrued related to unrecognized tax benefits.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

3. Concentration of Credit Risk - Cash and Cash Equivalents:

The carrying amount of the Organization's deposits with financial institutions was \$547,652 at June 30, 2015. The difference between the carrying amount and the bank balance represents reconciling items such as deposits in transit and outstanding checks, which have not been processed by the bank at June 30, 2015. The bank balance is categorized as follows:

Insured by FDIC	\$ 445,879
Insured by SIPC	69,994
Uninsured and uncollateralized	<u>52,583</u>
Total Bank Balance	<u>\$ 568,456</u>

4. Investments:

The Organization's investments are reported on the basis of quoted market prices and consist of the following at June 30, 2015:

	<u>Cost</u>	<u>Market Value</u>	<u>Unrealized Gain or (Loss) To Date</u>
Stocks	\$ <u>10,299</u>	\$ <u>10,299</u>	\$ <u>-</u>
Total	\$ <u>10,299</u>	\$ <u>10,299</u>	\$ <u>-</u>

5. Receivables, Net:

Accounts receivable at June 30, 2015 consists of the following:

	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Grants	\$ 867,631	\$ -	\$ 867,631
Medicaid	71,825	-	71,825
Other	51,590	-	51,590
Residents	84,245	(59,903)	24,342
Security deposits	<u>5,046</u>	<u>-</u>	<u>5,046</u>
Total	<u>\$ 1,080,337</u>	<u>\$ (59,903)</u>	<u>\$ 1,020,434</u>

Patient accounts receivable, related to the Organization's federally qualified health care center, consisted of the following at June 30, 2015:

	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Medicaid	\$ 191,715	\$ -	\$ 191,715
Medicare	39,250	-	39,250
Other	<u>329,274</u>	<u>(269,947)</u>	<u>59,327</u>
Total	<u>\$ 560,239</u>	<u>\$ (269,947)</u>	<u>\$ 290,292</u>

6. Due To/From Related Organizations:

Due to/from related organizations represents amounts due to and from Harbor Homes, Inc. from related entities whereby common control is shared with the same Board of Directors (See Note 19). These balances exist because certain receipts and disbursements of the related organizations flow through the Harbor Homes, Inc. main operating cash account. The related organizations and their balances at June 30, 2015 are as follows:

	<u>Due From</u>	<u>Due to</u>
Current:		
Healthy at Home	\$ -	\$ 99,125
Southern NH HIV/AIDS Task Force	-	10,239
Greater Nashua Council on Alcoholism	56,975	-
HH Ownership, Inc.	17,495	-
Harbor Homes III, Inc.	<u>16,233</u>	<u>-</u>
Subtotal current	90,703	109,364
Noncurrent:		
Milford Regional Counseling Services, Inc.	50,033	-
Harbor Homes II, Inc.	121,150	-
Welcoming Light, Inc.	<u>147,752</u>	<u>-</u>
Subtotal noncurrent	<u>318,935</u>	<u>-</u>
Total	<u>\$ 409,638</u>	<u>\$ 109,364</u>

Although management believes the above receivables to be collectible, there is significant risk that the noncurrent portion may not be.

7. Prepaid Expenses:

Prepaid expenses consist of the following items:

Prepaid HRA	\$ 38,543
Prepaid software maintenance	26,000
Prepaid other	<u>1,526</u>
Total	<u>\$ 66,069</u>

8. Property, Equipment and Depreciation:

A summary of the major components of property and equipment is presented below:

Land	\$ 1,747,190
Land Improvements	12,290
Buildings	16,130,760
Building Improvements	5,983,486
Software	410,041
Vehicles	211,878
Furniture and fixtures	148,622
Equipment	372,116
Dental equipment	141,716
Medical equipment	<u>58,022</u>
Subtotal	25,216,121
Less: accumulated depreciation	<u>(5,146,682)</u>
Total	<u>\$ 20,069,439</u>

Depreciation expense for the year ended June 30, 2015 totaled \$867,125.

The estimated useful lives of the depreciable assets are as follows:

<u>Assets</u>	<u>Years</u>
Land improvements	15
Buildings and Improvements	10 - 40
Software	3
Vehicles	3
Furniture and fixtures	5 - 7
Equipment and medical equipment	5 - 7

9. Restricted Deposits and Funded Reserves:

Restricted deposits and funded reserves consist of escrow accounts and reserves which are held for various purposes. The following is a summary of the restricted accounts:

	<u>Program Operations</u>
Security deposits	\$ 37,447
Reserve for replacements	304,214
Residual receipt deposits	<u>4,366</u>
Total	<u>\$ 346,027</u>

Security deposits held will be returned to tenants when they vacate. Reserve for replacement accounts are required by the Department of Housing and Urban Development (HUD) and the City of Nashua and are used for the replacement of property with prior approval. Residual receipt deposits are required by the Department of Housing and Urban Development and are to be used at the discretion of HUD.

10. Beneficial Interest:

The Organization has a beneficial interest in the Harbor Homes, Inc. Fund (the Fund), a component fund of the New Hampshire Charitable Foundation's (the Foundation) Nashua Region. The Organization will receive distributions from the Fund based on a spending allocation, which is a percentage of the assets set by the Foundation and reviewed annually. The current spending percentage is 4.5% of the market value (using a 20-quarter average) of the Fund. At June 30, 2015, the value of the fund was \$148,503.

11. Accrued Expenses:

Accrued expenses include the following:

	<u>Program Operations</u>
Mortgage Interest	\$ 2,474
Payroll and related taxes	313,560
Compensated absences - vacation time	361,016
Compensated absences - personal time	<u>42,966</u>
Total	<u>\$ 720,016</u>

12. Line of Credit:

At June 30, 2015, the Organization had a \$1,000,000 of credit available from TD Bank, N. A. due February 28, 2016, secured by all assets. The Organization is required, at a minimum, to make monthly interest payments to TD Bank, N. A. at the bank's base rate plus 1% adjusted daily. As of June 30, 2015, the credit line had an outstanding balance of \$733,319 at an interest rate of 4.25%.

13. Security Deposits:

Security deposits are comprised of tenant security deposits and other miscellaneous deposits. Tenant security deposits are held in a separate bank account in the name of the Organization. These deposits will be returned to residents when they leave the facility. Interest will be returned to residents who have had over one year of continuous tenancy.

14. Capital Leases:

The Organization is the lessee of certain equipment under a capital lease expiring in November of 2017. Future minimum lease payments under this lease are as follows:

<u>Year</u>	<u>Amount</u>
2016	\$ 47,985
2017	47,985
2018	<u>15,995</u>
Total	\$ <u>111,965</u>

At June 30, 2015, equipment of \$132,000, net of amortization of \$6,600, related to the above capital leases.

15. Mortgages Payable, Tax Credits:

Mortgages payable, tax credits consist of a mortgage payable to the Community Development Finance Authority through the Community Development Investment Program, payable through the sale of tax credits to donor organizations, maturing in 2020, secured by real property located at 59 Factory Street in Nashua, NH. This amount is amortized over ten years at zero percent interest. The amount due at June 30, 2015 is \$121,367.

16. Mortgages Payable:

Mortgages payable as of June 30, 2015 consisted of the following:

A mortgage payable to Merrimack County Savings Bank, due in monthly installments of \$7,879, including principal and interest at an adjustable rate of for the initial ten years based on the then prevailing 10/30 Federal Home Loan Bank Amortizing Advance Rate plus 3.00% and resetting in year 11 based on the then prevailing 10/20 Federal Home Loan Bank Amortizing Advance Rate plus 3.00%, maturing in 2043, secured by real property located at 335 Somerville Street in Manchester, NH. \$ 1,192,597

A mortgage payable to Merrimack County Savings Bank, due in monthly installments of \$8,193, including principal and interest at an adjustable rate of 4.57% for twenty years, maturing in 2043, secured by real property located at 335 Somerville Street in Manchester, NH. 1,183,704

A mortgage payable to Merrimack County Savings Bank, due in monthly installments of \$7,768, including principal and interest at 7.05%, maturing in 2040, secured by real property located at 59 Factory Street in Nashua, NH. 1,095,094

A mortgage payable to Merrimack County Savings Bank, due in monthly installments of \$8,391, including principal and interest at 6.75%, maturing in 2031, secured by real property located at 45 High Street in Nashua, NH. 707,137

A mortgage payable to Merrimack County Savings Bank, due in monthly installments of \$5,126, including principal and interest at 6.97%, maturing in 2036, secured by real property located at 46 Spring Street in Nashua, NH. 678,412

A mortgage payable to Merrimack County Savings Bank, due in monthly installments of \$3,996, including principal and interest at 4.75%, maturing in 2036, secured by real property located at 46 Spring Street in Nashua, NH. 640,990

(continued)

(continued)

A mortgage payable to TD Bank, due in monthly installments of \$5,387, including principal and interest at 7.27%, maturing in 2025, secured by real property located on Maple Street in Nashua, NH. 458,586

A mortgage payable to Merrimack County Savings Bank, due in monthly installments of \$2,692, including principal and interest at 4.75%, maturing in 2040, secured by real property located at 59 Factory Street in Nashua, NH. 474,767

A mortgage payable to Merrimack County Savings Bank, due in monthly installments of \$2,077, including principal and interest at 5.57% for the first five years, then adjusting in June 2015, 2020, 2025, and 2030 to the Federal Home Loan Bank Community Development Advance Rate in effect, plus 2.75%, maturing in 2035, secured by real property located at 189 Kinsley Street in Nashua, NH. 301,589

A mortgage payable to Mascoma Savings Bank, fsb., due in monthly installments of \$1,731, including principal and interest at 7.00% maturing in 2036, secured by real property located at 7 Trinity Street in Claremont, NH. 230,126

A mortgage payable to the Department of Housing and Urban Development, due in monthly installments of \$2,385, including principal and interest at 9.25%, maturing in 2022, secured by real property located at 3 Winter Street in Nashua, NH. 149,528

A mortgage payable to Merrimack County Savings Bank, due in monthly installments of \$1,144, including principal and interest at a variable rate (5.61% at June 30, 2012), maturing in 2029, secured by real property located at 24 Mulberry Street in Nashua, NH. 130,245

(continued)

(continued)

A mortgage payable to Merrimack County Savings Bank, due in monthly installments of \$779, including principal and interest at 7.20% for the first five years, then adjusting in April 2012, 2017, 2022, 2027, and 2032 to the Federal Home Loan Bank Community Development Advance Rate in effect, plus 225 basis points, maturing in 2037, secured by real property located at 4 New Have Drive, Unit 202 in Nashua, NH.

99,580

A mortgage payable to Merrimack County Savings Bank, due in monthly installments of \$1,283, including principal and interest at 3.73%, maturing in 2035, secured by real property located at 59 Factory Street in Nashua, NH.

50,532

Total

7,392,887

Less amount due within one year

(201,707)

Mortgages payable, net of current portion

\$ 7,191,180

The following is a summary of future payments on the previously mentioned long-term debt.

<u>Year</u>	<u>Amount</u>
2016	\$ 201,707
2017	225,721
2018	242,625
2019	235,277
2020	249,036
Thereafter	<u>6,238,521</u>
Total	\$ <u>7,392,887</u>

17. Mortgages Payable, Deferred:

The Organization has deferred mortgages outstanding at June 30, 2015 totaling \$5,332,834. These loans are not required to be repaid unless the Organization is in default with the terms of the loan agreements or if an operating surplus occurs within that program.

Several of these loans are special financing from the New Hampshire Housing Finance Authority (NHHFA) to fund specific projects. These notes are interest free for thirty years with principal payments calculated annually at the discretion of the lender.

The following is a list of deferred mortgages payable at June 30, 2015:

	<u>Program Operations</u>
City of Manchester:	
Somerville Street property	\$ <u>300,000</u>
Total City of Manchester	300,000
City of Nashua:	
Factory Street property	580,000
Spring Street property	491,000
Charles Street property	98,087
High Street fire system	<u>65,000</u>
Total City of Nashua	1,234,087
Federal Home Loan Bank (FHLB):	
Factory Street property	400,000
Somerville Street property	400,000
Spring Street property	<u>398,747</u>
Total FHLB	1,198,747
NHHFA:	
Factory Street property	1,000,000
Spring Street property	550,000
Charles Street property	50,000
Somerville Street property	<u>1,000,000</u>
Total NHHFA	<u>2,600,000</u>
Total Mortgages Payable, Deferred	\$ <u>5,332,834</u>

18. Temporarily Restricted Net Assets:

Temporarily restricted net assets are available for the following purposes at June 30, 2015:

<u>Purpose</u>	<u>Amount</u>
Art supplies	\$ 433
Client transportation	2,558
Christmas gifts	300
Dallan's bricks	735
HVRP client assistance	6,858
Operation brightside	2,000
PEC	229
SCOAP	1,052
Software	25,000
Standdown	770
Thanksgiving	1,615
Veterans computers	<u>5,630</u>
Total	\$ <u>47,180</u>

Net assets were released from restrictions by incurring expenses satisfying the restricted purpose or by the passage of time.

19. Transactions with Related Parties:

The Organization's clients perform janitorial services for Harbor Homes HUD I, II and III, Inc., Welcoming Light, Inc., Milford Regional Counseling Services, Inc., Healthy at Home, Inc., Greater Nashua Council on Alcoholism, and Southern NH HIV/AIDS Task Force, related organizations. These services are billed to the related organizations and reported as revenues in the accompanying financial statements.

The Organization currently has several contracts with Healthy at Home, Inc. to receive various skilled nursing services, CNA services and companion services for its clients. All of the contracts are based on per diem fees, ranging from \$16 per hour for companion services to \$100 per visit for skilled nursing services.

During the year, the Organization rented office space, under tenant at will agreements, to Southern NH HIV/AIDS Task Force, Greater Nashua Council on Alcoholism, and Healthy at Home, Inc., related parties. The rental income under these agreements totaled \$24,816, \$14,000 and \$60,000, respectively, for fiscal year 2015.

Harbor Homes, Inc. receives management fees from the related HUD projects.

The Organization is considered a commonly controlled organization with several related entities by way of its common board of directors. However, management feels that the principal prerequisites for preparing combined financial statements are not met, and therefore more meaningful separate statements have been prepared.

The following are the commonly controlled organizations:

Harbor Homes II, Inc.
Harbor Homes III, Inc.
HH Ownership, Inc.
Welcoming Light, Inc.
Milford Regional Counseling Services, Inc.
Healthy at Home, Inc.
Greater Nashua Council on Alcoholism
Southern NH HIV/AIDS Task Force

20. Deferred Compensation Plans:

The Organization maintains a 403(b) retirement plan. Upon meeting the eligibility criteria, employees can contribute a portion of their wages to the plan. The Organization matches a percentage of the employee contribution based on years of service. Total matching contributions paid by the Organization for the year ended June 30, 2015 were \$192,367.

The Organization maintains a deferred compensation plan for certain employees and directors (the "SA Plan"). The deferred compensation liability under the SA Plan was \$91,937 as of June 30, 2015 and was recorded as a long-term liability. This liability is offset by a corresponding long-term asset in the same amount.

21. Concentration of Risk:

The Organization receives 34%, 19%, 16% and 10% of its revenue from the Department of Health and Human Services, the Department of Housing and Urban Development, the Department of Veterans Affairs, and Medicaid, respectively.

22. Fair Value Measurements:

FASB ASC, *Fair Value Measurements*, provides guidance for using fair value to measure assets and liabilities. *Fair Value Measurements* applies whenever other standards require or permit assets or liabilities to be

measured at their fair market value. The standard does not expand the use of fair value in any new circumstances. Under *Fair Value Measurements*, fair value refers to the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. *Fair Value Measurements* clarifies the principle that fair value should be based on the assumptions market participants would use when pricing the asset or liability and establishes a fair value hierarchy that prioritizes the information used to develop those assumptions.

Under *Fair Value Measurements*, the Organization categorizes its fair value estimates based on a hierarchical framework associated with three levels of price transparency utilized in measuring financial instruments at fair value. Classification is based on the lowest level of input that is significant to the fair value of the instrument. The three levels are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. The types of financial instruments included in Level 1 are highly liquid instruments with quoted prices;
- Level 2 - Inputs from active markets, other than quoted prices for identical instruments, are used to model fair value. Significant inputs are directly observable from active markets for substantially the full term of the asset or liability being valued; and
- Level 3 - Pricing inputs significant to the valuation are unobservable. Inputs are developed based on the best information available; however, significant judgment is required by management in developing the inputs.

The estimated fair value of the Organization's financial instruments is presented in the following table:

	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Level One</u>	<u>Level Two</u>	<u>Level Three</u>
Investments	\$ 10,299	\$ 10,299	\$ 10,299	\$ -	\$ -
Due from related organizations	409,638	409,638	-	-	409,638
Beneficial Interest	149,503	149,503	-	-	149,503
Total assets	<u>\$ 569,440</u>	<u>\$ 569,440</u>	<u>\$ 10,299</u>	<u>\$ -</u>	<u>\$ 559,141</u>

(continued)

(continued)

	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Level One</u>	<u>Level Two</u>	<u>Level Three</u>
Due to related organizations	\$ 109,364	\$ 109,364	\$ -	\$ -	\$ 109,364
Line of credit	733,319	733,319	-	733,319	-
Capital leases payable	104,557	104,557	-	104,557	-
Mortgages payable, tax credits	121,367	121,367	-	-	121,367
Mortgages payable	7,392,887	7,392,887	-	7,392,887	-
Mortgages payable, deferred	<u>5,332,834</u>	<u>5,332,834</u>	<u>-</u>	<u>5,332,834</u>	<u>-</u>
Total liabilities	<u>\$ 13,794,328</u>	<u>\$ 13,794,328</u>	<u>\$ -</u>	<u>\$ 13,563,597</u>	<u>\$ 230,731</u>

Fair Value Measurements
Using Significant Unobservable Inputs
Level 3

	<u>Due from related organizations</u>	<u>Beneficial Interest</u>	<u>Due to related organizations</u>	<u>Mortgages Payable, Tax Credits</u>
Beginning balance June 2014	\$ 377,024	\$ 148,204	\$ 160,868	\$ 142,410
Advances	380,480	1,299	227,119	-
Reductions	<u>(347,866)</u>	<u>-</u>	<u>(278,623)</u>	<u>(21,043)</u>
Ending balance June 2015	<u>\$ 409,638</u>	<u>\$ 149,503</u>	<u>\$ 109,364</u>	<u>\$ 121,367</u>

23. Patient Service Revenue, Net:

The Organization recognizes patient services revenue associated with services provided to patients who have Medicaid, Medicare, third-party payor, and managed care plans coverage on the basis of contractual rates for services rendered. For uninsured self-pay patients that do not qualify for charity care, the Organization recognizes revenue on the basis of its standard rates for services provided or on the basis of discounted rates if negotiated or provided by the Organization's policy. Charity care services are computed using a sliding fee scale based on patient income and family size. On the basis of historical experience, a significant portion of the Organization's uninsured patients will be unable or unwilling to pay for the services provided. Thus, the Organization records a provision for bad debts related to uninsured patients in the period the services are provided.

The Organization accepts patients regardless of their ability to pay. A patient is classified as a charity patient by reference to certain established policies, which define charity services as those costs for which no payment is anticipated.

ated. The Organization uses federally established poverty guidelines to assess the level of discount provided to the patient. The Organization is required to provide a full discount to patients with annual incomes at or below 100% of the poverty guidelines but may charge a nominal copay. If the patient is unable to pay the copay, the amount is written off to charity care. All patients are charged in accordance with a sliding fee discount program based on household size and household income. No discounts may be provided to patients with incomes over 200% of federal poverty guidelines.

Patient services revenue, net of provision for bad debts and contractual allowances and discounts, consists of the following:

	2015			2014
	Gross Charges	Contractual Allowances	Charitable Care Allowances	Net Patient Service Revenue
Medicaid	\$ 1,065,578	\$ (409,541)	\$ -	\$ 676,037
Medicare	175,719	(29,815)	-	145,904
Third-party	346,960	(225,953)	-	121,007
Sliding fee/free care	162,567	-	(148,638)	13,929
Self-pay	123,384	-	-	123,384
Subtotal	1,894,208	(665,309)	(148,638)	1,080,261
Provision for bad debts				(187,064)
Total				\$ 893,197
				\$ 227,575

24. Rent Expense:

The Organization has multiple grants requiring the payment of rents on behalf of the consumer. Rent expense totaling approximately \$3.8m is comprised of leases held in the Organization's name and the responsibility of the Organization, leases in consumers' names, or rents paid as client assistance.

25. Contingencies:

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations is subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time. Government activity continues to increase with respect to investigations and allegations concerning possible violations by healthcare providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments for patient service previously billed. Management is not aware of any material incidents of noncompliance; however, the possible future financial effects of this matter on the Organization, if any, are not presently determinable.

26. Subsequent Events:

In accordance with the provisions set forth by FASB ASC, *Subsequent Events*, events and transactions from July 1, 2015 through December 10, 2015, the date the financial statements were available to be issued, have been evaluated by management for disclosure.

HARBOR HOMES, INC. AND AFFILIATES BOARD OF DIRECTORS

(Harbor Homes, Inc., HH Ownership, Inc., Welcoming Light, Inc., Healthy At Home, Inc., Milford Regional Counseling Services, Inc., Greater Nashua Council on Alcoholism, Inc., Southern NH HIV Task Force)

David Aponovich - [REDACTED]	Treasurer - (Chair, Finance Committee) - (Facilities Committee) - (Executive Committee)	Joel Jaffe - [REDACTED]	Asst. Secretary - (Chair, Executive Committee)
Vincent Chamberlain - (8/13)	Chair of the Board	Lynn Klag - [REDACTED]	Vice Chair - (Chair, RDP Committee)
Laurie Des Rochers - [REDACTED]	- (Facilities Committee)	Melissa Knight - [REDACTED]	- (HCC Oversight Committee)
Phil Duhaime - [REDACTED]	- (Governance Committee) - (Executive Committee)	Naomi Moody - [REDACTED]	(no committee assignment)
Laurie Goguen - [REDACTED]	Secretary - (Chair, Governance Committee) - (HCC Oversight Committee) - (Executive Committee)	Rick Plante - [REDACTED]	- (Chair, Facilities Committee) - (RDP Committee)
Nathan Goodwin - [REDACTED]	- (Governance Committee) - (RDP Committee)	Phil Richard - [REDACTED]	- (Facilities Committee) - (Governance Committee)
Alphonse Heattenschwiler - [REDACTED]	- (Finance Committee) - (Chair, HCC Oversight Committee)	Dan Sallet - [REDACTED]	- (Finance Committee)

PETER J. KELLEHER, CCSW, LICSW

Telephone: [REDACTED] ~ Fax: [REDACTED] ~ E-mail: [REDACTED]

PROFESSIONAL EXPERIENCE

2006-Present Executive Director, Southern New Hampshire HIV/AIDS Task Force, Nashua, NH

2002-Present Executive Director, GNCA, Inc. Nashua, NH

1997-Present Executive Director, Healthy at Home, Inc., Nashua, NH

1995-Present Executive Director, Milford Regional Counseling Services, Inc., Milford, NH

1995-Present Executive Director, Welcoming Light, Inc., Nashua, NH

1982-Present Executive Director, Harbor Homes, Inc., Nashua, NH

Currently employed as chief executive officer for nonprofit corporation (and affiliates) providing residential, supported employment, and social club services for persons with long-term mental illness and/or homeless. Responsible for initiation, development, and oversight of 33 programs comprising a \$10,000,000 operating budget; proposal development resulting in more than \$3,000,000 in grants annually; oversight of 230 management and direct care professionals.

2003-Present Consultant

Providing consultation and technical assistance throughout the state to AIDS service and mental health organizations

1980 - 1982 Real Estate Broker, LeVaux Realty, Cambridge, MA

Successful sales and property management specialist.

1979 - 1980 Clinical Coordinator, Task Oriented Communities, Waltham, MA

Established and provided comprehensive rehabilitation services to approximately 70 mentally ill/mentally retarded clients. Hired, directly supervised, and trained a full-time staff of 20 residential coordinators. Developed community residences for the above clients in three Boston suburbs. Provided emergency consultation on a 24-hour basis to staff dealing with crisis management in six group homes and one sheltered workshop. Administrative responsibilities included some financial management, quality assurance, and other accountability to state authorities.

1978 - 1979 Faculty, Middlesex Community College, Bedford, MA

Instructor for an introductory group psychotherapy course offered through the Social Work Department.

1977 - 1979 Senior Social Worker/Assistant Director, Massachusetts Tuberculosis Treatment Center II, a unit of Middlesex County Hospital, Waltham, MA

Functioned as second in command and chief clinical supervisor for eight interdisciplinary team members, and implemented a six-month residential program for individuals afflicted with recurring tuberculosis and alcoholism. Provided group and individual therapy, relaxation training.

1976 Social Worker, Massachusetts Institute of Technology, Out-Patient Psychiatry, Cambridge, MA

Employed in full-time summer position providing out patient counseling to individuals and groups of the MIT community.

1971 - 1976 Program Counselor/Supervisor, Massachusetts Institute of Technology, MIT/Wellesley College Upward Bound Program, Cambridge and Wellesley, MA

Major responsibilities consisted of psycho educational counseling of Upward Bound students, supervision of tutoring staff, teaching, conducting evaluative research for program policy development.

EDUCATIONAL EXPERIENCE

- 1975 - 1977 Simmons College School of Social Work, Boston, MA
Cambridge-Somerville Community Mental Health Program, MSW
- 1971 - 1975 Clark University, Worcester, MA. Received Bachelor of Arts Degree in Psychology

LICENSES AND CERTIFICATIONS

- 1979 Licensed Real Estate Broker - Massachusetts
- 1989 Academy of Certified Social Workers - NASW
- 1990 Licensed Independent Clinical Social Worker - Massachusetts
- 1994 State of New Hampshire Certified Clinical Social Worker, MA LICSW

PLACEMENTS

- 1976 - 1977 Cambridge Hospital, In-Patient Psychiatry, Cambridge, MA
Individual, group, and family counseling to hospitalized patients.
- 1975 - 1976 Massachusetts Institute of Technology, Social Service Department, Cambridge, MA
Similar to above.

FIELD SUPERVISION

- 1983 - 1984 Antioch/New England Graduate School, Department of Professional Psychology, Keene, NH
- 1983 - 1984 Rivier College, Department of Psychology, Nashua, NH
- 1990 - 1991 Rivier College, Department of Psychology, Nashua, NH
- 1978 - 1979 Middlesex Community College, Social Work Associates Program, Bedford, MA

AWARDS

- Valedictorian Award received at high school graduation;
- National Institute of Mental Health Traineeship in Social Work
- University of New Hampshire Community Development 2003 Community Leader of the Year
- AIDS Housing Corporation, Peter Medoff Award, 2007
- NAMI-NH Award for Systems Change, 2007

MEMBERSHIPS

Immediate Past Chair, Governor's State Interagency Council/New Hampshire Policy Academy
Former Chair, Greater Nashua Continuum of Care
National Association of Social Workers
Board Member, Greater Nashua Housing & Development Foundation, Inc.
Former Member, Rotary Club, Nashua, NH

CAROL J. FURLONG, LCMHC, MAC, MBA

SKILLS / ABILITIES / ACHIEVEMENTS PROFILE

Administration: Seasoned professional with progressive experience in diverse healthcare and educational environments, including operations, budget control, marketing, quality assurance, risk management, utilization review, facility design and management, human resources, and strategic planning.

Management: Self-starter with strong planning, controlling, organizing and leadership skills. Effectively manages resources and ensures compliance with established policies and procedures. Skilled in identifying and troubleshooting problem areas and implementing solutions. Developed comprehensive Quality Management program. Restructured billing, triage and customer service systems resulting in improved productivity and efficiency. Extensive managed care experience.

Human Resources: Skilled in recruiting, interviewing and selecting top personnel. Effective trainer, develops staff abilities to full potential. Motivates and retains employees using the mentor approach. Managed and supervised training and development of 100 personnel. Knowledgeable regarding multicultural issues. Effectively trained and prepared counseling professionals.

Communication: Articulate speaker and effective negotiator. Writes with strength, clarity and style. Natural ability to work with others. Consistently develops good rapport with staff, professionals, staff managers and community. Works well as part of a team or independently. Wrote and published several training and procedural manuals.

PROFESSIONAL EXPERIENCE

ASSISTANT DIRECTOR, SUPPORTIVE SERVICES/VP OPERATIONS

2005-present

Harbor Homes, Inc.

Senior management position overseeing residential and administrative staff of approximately 250 employees and coordinating a continuum of service delivery for the mentally ill and homeless and other populations. Develops and updates program plans, assures monitoring of implementation and develops/implements corrective actions as indicated. Provides education/consultation to staff, other agencies or community groups. Provides direct or indirect supervision to a clinical staff of 40 approximately Program Managers and MIMS workers. Assures quality/appropriateness of critical aspects of care through ongoing monitoring.

DIRECTOR OF COMMUNITY SUPPORT SERVICES DEPARTMENT

2003 - 2005

Community Council of Nashua

Nashua, NH

Develops and updates program plans, assures monitoring of implementation and develops/implements corrective actions as indicated. Provides education/consultation to staff, other agencies or community groups. Provides supervision to a clinical staff of approximately 40 therapists, case managers and MIMS workers. Develops Regional Planning of adult services. Assures quality/appropriateness of critical aspects of care through ongoing monitoring.

DIRECTOR OF OUTCOMES & SYSTEM IMPROVEMENT

1999-2003

Community Council of Nashua

Nashua, NH

Developed and maintains a Quality Management Program complying with NCQA and JCAHO standards. Monitored and supervised utilization review, evaluating the medical necessity, case management and continuation of care. Developed effective medical records protocols. Directs training and development function for the agency. Coordinated efforts resulting in highly successful JCAHO survey. Coordinates Customer Service and complaints process.

ADJUNCT FACULTY

1990-2005

Rivier College

Nashua, NH

Graduate Counseling Program - Instruct graduate counseling students in a variety of courses to include Group Therapy, Counseling Techniques, Substance Abuse Counseling, Clinical Assessment, Marriage & Family Therapy, and Prescriptive Behavioral Management Techniques. Have facilitated several Independent Study courses in a variety of topics.

PRIVATE PRACTICE

1999-Present

Nashua, NH

Maintains private practice of approximately 40 clients. Coordinates care with primary care physicians and others. Coordinates treatment with managed care companies.

DIRECTOR OF REGIONAL BEHAVIORAL HEALTH QM

1997-1999

The Hitchcock Clinic

Bedford, NH

Developed and maintained a Quality Management Program complying with NCQA standards for four Behavioral Health sites. Developed and implemented program expansion. Identified staffing requirements and facilitated subsequent downsizing to ensure cost effectiveness. Liaison between the Clinic and insurance plans. Monitored and supervised utilization review for the Southern Region, evaluating the medical necessity, case management and continuation of care. Recommended by insurance reviewers to other organizations for consultation services in order to assist these agencies in their compliance processes. Developed effective medical records protocols.

COORDINATOR OF MULTICULTURAL COUNSELING PROGRAM

1998-1999

Rivier College

Nashua, NH

Coordinates the Bilingual/Multicultural Counseling Program in both guidance counseling and mental health fields. Recruits and advises professional students from local multicultural agencies. Developing a diversity-training program for use in area schools and businesses to enhance multicultural awareness. Instructor in Graduate Counseling Program.

CLINICAL DIRECTOR

1990-1997

The Hitchcock Clinic

Nashua, NH

Developed and implemented program policies and procedures. Managed FTE and budgetary control while providing effective leadership to the staff. Improved out-referral system, while reducing out-referral expenditures. Developed cooperative collaboration measures with insurers' UM Departments. Supervised a staff of thirty employees. Senior member of the Regional Management Team, and also a member of the Nashua Medical Group Board of Governors.

PROGRAM DIRECTOR

1988-1990

Partial Hospitalization Program, Brookside Hospital

Nashua, NH

Developed program components, structure, policies and procedures. Implemented FTE and budgetary control and supervised treatment staff. Initiated referral network and maintained marketing and referral relationships within the Greater Nashua community. Facilitated groups, provided case management and individual counseling including initial assessments. Monitored case management and utilization review processes with insurers.

PROGRAM DIRECTOR - SUBSTANCE ABUSE CLINIC

1985-1988

Department of the Army

West Germany

Developed comprehensive preventive substance abuse program. Coordinated efforts with schools, civic organizations, civilian agencies and military organizations in order to integrate preventive education efforts. Supervised clinical and support staff of two treatment clinics. Maintained referral relationships with commanders.

ARMY COMMUNITY SERVICE DIRECTOR

1983-1985

Department of the Army

West Germany

Developed comprehensive community support agency. Responsible for staffing and budgetary concerns. Composed informational publications, prepared financial and statistical reports and submitted budget requests to the U. S. government for agency funding. Responsible for FAP (Family Advocacy Program).

EDUCATION

**MASTERS OF BUSINESS ADMINISTRATION DEGREE
IN HEALTHCARE ADMINISTRATION - 2001**

Rivier College, Nashua

MASTERS OF SCIENCE IN EDUCATION (COUNSELING) - 1986
University of Southern California

BACHELORS IN EDUCATION (SPECIAL EDUCATION) - 1974
Westfield State College, Westfield, MA

LICENSES AND CERTIFICATIONS

LICENSED CLINICAL MENTAL HEALTH COUNSELOR
New Hampshire License #100 - 1998

MASTERS ADDICTION COUNSELOR CERTIFICATION
1997

22

Vicktor G Senat DMD



Objective	I am looking for a full time Restorative Dentist position. I want to perform Comprehensive Dentistry to all that I serve.
Education	
Sept 2001—May 2005 DMD	Tufts University School of Dental Medicine, Boston, MA Awarded Clinical Excellence In Endodontics
Sept 1999—May 2001 BS in Biology	Central Connecticut State University, New Britain, CT Dean's List
Sept 1994—May 1996 AS in Physical Therapy	Newbury College, Brookline, MA Dean's List, Who's Who Among College and University Students 1996
Sept 1991—May 1992	Bridgewater State College, Bridgewater, MA Major: Physical Education
Work Experience	
July 2005- Present	NHCCD, Amherst, NH Dentist Comprehensive Dentistry Treatment planning of simple and complex treatments Amalgam and composite restorations Crown and Bridge Veneers Restoring Implants Conventional Dentures Implant retained Dentures Interim Dentures Extraction both surgical and simple Pediatric restorative and extractions Use of Nitrous and oral sedation medications Root canal Therapy (Use of Rotary system) Lateral condensation I.V sedation restorative treatment with an Anesthesiologist
Apr 2004- May 2004	St Joseph Hospital, Providence RI 5 week externship In Pediatric Dentistry Performed and treatment planned a number of operative procedures. Performed recalls and cleanings Treatment planned and cemented space maintainers Observed three sessions in the complex operating room full mouth rehabilitations
Jan 2000-Aug 2001	Lewkowics Dental, Newington Ct Lab Technician Apprentice Poured up and Mounted diagnostic models on an articulator Indexed crown and bridge cases Performed diagnostic wax-ups on crown and bridge cases Fabricated temporary crowns and acrylic oral appliances

Aug 1998- Aug 1999

Sundance Rehabilitation, Newington Ct

Physical Therapy Assistant

Case load of 6-13 patients daily with duties including daily and weekly progress notes, ordering equipment, discharge planning, communicating with other medical staff, patient family teaching, and weekly patient care planning meetings.

Jun 1996- Aug 1998

Spaulding Rehabilitation Hospital, Boston Ma

Physical Therapy Assistant

Case load of 6-10 patients daily with duties including daily and weekly progress notes, ordering equipment, discharge planning, communicating with other medical staff, patient family teaching and weekly patient care planning meetings.

Experienced with complex medical and ventilator dependent patients.

Continued Education

Veneer Preparation and design Yankee Dental

Cerac training and use

Better Class II composites and materials Yankee Dental

Communication and Comprehensive dental care Wilkins Mello Handa group

Socket preservation after extractions Yankee Dental

Treatment planning and treating implant retained prosthesis

Demystifying Occlusion Frank Spear

Treating the Worn Dentition Frank Spear

The Art of Treatment Planning and Case Presentation Frank Spear

Facially Generated Treatment Planning

Occlusion in Clinical Practice Frank Spear

Memberships

AGD

Certifications

BLS

ACLS

Volunteer Work

Jun 2008- Feb 2010

Tufts School of Dental Medicine

Observing, teaching, and mentoring third and fourth year dental students.

References

Available upon request

Ana Pancine

Main Phn: [REDACTED]

Objective	To obtain a position within an organization that offers me the opportunity to apply my experiences and academic expertise in the Financial field, and that provides me a chance to enhance my career knowledge.		
Experience	November 2007 – Present	Harbor Homes Inc.	Nashua, NH
	Financial Specialist • Prepare budgets, internal and external reports for several State & Federal projects. • Responsible for Financial monthly presentation to Board of Directors. • Ensure that financial reports are submitted for each grant. • Prepare budgets for all new/renewal grant proposals. • Provide financial reports for project managers. • Assist Controller position with month-end closings. • Responsible for independent year-end audit.		
	December 2006 – November 2007	Hewlett-Packard	Nashua, NH
	Service Resource Coordinator <i>December 2006 - Presently</i> • Accountable for all metric reports for the PER Event team in a monthly basis. • Responsible for revenue booking for two districts. • Accountable to update, present and distribute all reports related to the department. • Provide quality reports for upper management to review the progress of the team. • Responsible for all the billings for Latin America.		
	August 2001 – December 2006	Electronic Data Systems(EDS)	Nashua, NH
	Americas Business Analyst <i>February 2004 – December 2006</i> • Manage ten cost centers with annual expenses of \$9m and revenue of \$18m, forecast on a quarterly basis, generate expense and revenue accruals, and establish budgetary guidelines for team members. • Variance reporting monthly for +/- 1 % of forecasted to report to senior management. • Compile, reconcile, and obtain approval from customer for account metrics on a monthly basis. • Maintain global reporting of 200 employees with specific emphasis on geographic alignment, individual line counts, and organizational charts for account utilization and resource mapping • Approve time card for temporary employees, main contact for temporary agencies and responsible for hiring/releasing of temporary employees. • Main contact for all customers located in the Latin America territory. • Provided Financial Support for account closing.		
	Quality Controller/ System Support Administrator <i>June 2003 – February 2005</i> • Main contact between administrators and system support to prioritize technical errors. • Responsible for weekly, monthly and quarterly quality review reporting. • Responsible for weekly and monthly geography reports. • Maintain all employee related spreadsheets updated. • Manage quality review reports to ensure policies and procedures are being followed. • Mentoring new hires in their assigned positions. • Communicating with manager for tools necessary for team. • Categorize and notify managers of any performance issues. • Provide support for team members with problem solving.		
	Per Event Administrator <i>August 2001 – June 2003</i> • Responsible for billing revenue. • General office filing and organization. • Data Entry. • Assisting customer needs. • Solving any customer issues. • Revenue booking and customer assistance for Latin America/Caribbean territory. • Assistant and service provided for all customer located in the Latin America/Caribbean/Europe territory.		

References Available upon request

Skills	• Windows 98/2000/XP • SIFT – Financial Database • Microsoft Office • Fundware/F9	• PEARs/CHAMP/WFM • NCAS/SAP • Fluent in Portuguese and Spanish.
Education	Hesser College • Bachelor of Science, Business Administration – Oct 2005 Trained Medical Translator – Portuguese/Spanish Southern NH University • Pursuing MBA and Financial/International Business Certification.	

References Available upon request

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Peter Kelleher	President & CEO	\$177,943	0%	\$0
Carol Furlong	VP of Operations	\$120,000	0%	\$0
Vicktor Senat	Dentist	\$125,000	5%	\$6,250
Ana Pancine	Finance Specialist	\$75,000	0%	\$0

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF COMMUNITY BASED CARE SERVICES

BUREAU OF ELDERLY & ADULT SERVICES

Nicholas A. Toumpas
 Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857
 603-271-9203 1-800-351-1888

Diane Langley
 Director

Fax: 603-271-4643 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

August 10, 2015

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Community Based Care Services, Bureau of Elderly and Adult Services to enter into Agreements with the vendors listed below to provide to provide dental treatment to adults age sixty (60) and up in need of early or immediate intervention and who lack financial resources. No maximum client or service volume is guaranteed. Accordingly, the price limitation among all Agreements is \$27,886. The Agreements are effective upon the date of Governor Executive Council approval through September 30, 2016. 100% Federal Funds.

Vendor	Vendor #	Vendor Location
Easter Seals New Hampshire, Inc.	177204-B005	Manchester, NH
Families First of the Greater Seacoast	166629-B001	Portsmouth, NH
Goodwin Community Health	154703-B001	Somersworth, NH
Harbor Homes, Inc.	155358-B001	Nashua, NH
Mid-State Health Center	158055-B001	Plymouth, NH
Tri-County Community Action Program, Inc.	177195-B011	Tamworth, NH

Funds to support this request are anticipated to be available in the following account in State Fiscal Year 2016 and State Fiscal Year 2017 upon availability and continued appropriation of funds in the future operating budget, with authority to adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

05-95-48-481010-8917 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADM ON AGING GRANTS

Fiscal Year	Class/Object	Class Title	Total Amount
SFY 2016	102-500731	Contracts for Program Services	\$22,309
SFY 2017	102-500731	Contracts for Program Services	\$5,577
			\$27,886

EXPLANATION

Approval of these contracts will allow the Department to continue the Oral Health program for seniors. The Department's contracted hygienist conducts oral health screenings of older adults in community-based settings, including senior centers and meal sites. Based on screening results and a corresponding oral health questionnaire, individuals are identified who have pain, infection, severe

decay and/or suspicious lesions and who also do not have financial resources or dental insurance to help pay for treatment. Eligible individuals are then referred by the Department to one of these contracted dentists to receive needed dental care.

The dentist will be reimbursed according to a fixed fee schedule up to \$2,000 per individual. This fee schedule is based on the dental services and fees provided to adults in the Department of Health and Human Services Human Immunodeficiency Virus program.

The Department published a Request for Application for Licensed Dentists and Oral Surgeons (RFA #16-DHHS-DCBCS-BEAS-RFA-01) on the Department of Health and Human Services website February 10, 2015 to March 23, 2015. The Department received six applications. The applications were reviewed by a program Administration and Program Specialist in the Bureau of Elderly and Adult Services. All six applications were selected. (See attached Summary Score Sheet).

The Contract contains language that Department reserves the right to renew the contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of contracted services and Governor and Executive Council approval.

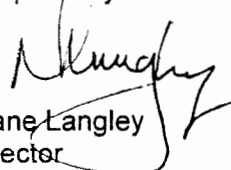
Should the Governor and Executive Council not approve this request, then adults age 60 and older with immediate dental need but without access to care will continue to face barriers to dental treatment and remain at high risk for compromised health. A growing body of evidence links dental disease and periodontal infection to diabetes, heart disease and stroke. Oral health interventions could improve the oral health of older adults, support their well-being and prevent the need for more costly care.

Area to be Served: Statewide

Source of Funds: 100% Federal from the United States Department of Health and Human Services, Administration for Community Living, Title III, Part D Disease Prevention and Health Promotion Services, Catalog of Federal Domestic Assistance (CFDA) #93.043 and Federal Award Identification 15AANHT3PH.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,


Diane Langley
Director

Approved by: 
Nicholas A. Toumpas
Commissioner



New Hampshire Department of Health and Human Services
Office of Business Operations
Contracts & Procurement Unit
Summary Scoring Sheet

Licensed Dentists and Oral Surgeons
RFP Name

16-DHHS-DCBCS-BEAS-RFA-01
RFP Number

Bidder Name

1. Easter Seals of New Hampshire, Inc.
2. Families First of the Greater Seacoast
3. Goodwin Community Health
4. Harbor Homes, Inc.
5. Mid-State Health Center
6. Tri-County Community Action Program, Inc.

Maximum Points	Actual Points
100	80
100	97
100	78
100	72
100	95
100	70

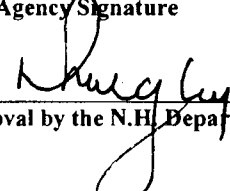
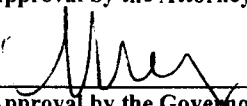
Reviewer Names

1. Tracey Tarr, Administrator
2. Margaret Morril, Program Specialist
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.

Subject: Senior Oral Health Program**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS**1. IDENTIFICATION.**

1.1 State Agency Name Department of Health & Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Harbor Homes, Inc.		1.4 Contractor Address 45 High Street Nashua, NH 03060	
1.5 Contractor Phone Number 603-882-3616	1.6 Account Number 05-95-48-481010-8917-102-500731	1.7 Completion Date September 30, 2016	1.8 Price Limitation \$27,886.
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Peter Kelleher President & CEO	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Hillsborough</u> On <u>7/30/15</u> before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal] 			
1.13.2 Name and Title of Notary or Justice of the Peace <u>Karyn Smith Benefits Coord.</u> KARYN J. SMITH, Notary Public My Commission Expires February 25, 2020			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory D. Langley Smith	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Megan A. Yule Attorney On: <u>8/27/15</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination

Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("Workers' Compensation").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.



Scope of Services

1. SCOPE OF SERVICES:

1.1. The Contractor will:

1.1.1. Provide dental treatments to adults ages 60 and up who need early or immediate intervention and lack the financial resources for dental treatment, and who reside in any city or town in New Hampshire, as follows:

1.1.1.1. Accept client referrals from the Department;

1.1.1.2. Complete an oral health diagnosis for each client;

1.1.1.3. Diagnose oral health issues and problems and develop a dental treatment plan based on the client's identified oral health and/or treatment needs;

1.1.1.4. Schedule and remind clients of their dental appointments;

1.1.1.5. Perform, with the individual's approval, dental services and treatment in accordance with the Exhibit B-1 Dental Fee Schedule up to a \$2,000 limit per individual patient for the contract period;

1.1.1.6. Follow up with clients to ensure their pain or infection was alleviated after receiving dental treatment(s);

1.1.1.7. Provide client level data in a secure, electronic format as specified by the Department for completion of required reports; and

2. Licensing Requirements:

The Contractor will ensure that the dentist(s) performing services under this agreement, including any subcontract agreements, must possess a current dental license issued by the State of New Hampshire Board of Dental Examiners.

3. Cultural Considerations:

The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

4. Criminal Background Check:

Contractor shall conduct a New Hampshire criminal background check for a potential applicant for employment or volunteer, funded under this contract.



5. DHHS' Bureau of Elderly and Adult Services' (BEAS) State Registry:

Contractors which are licensed, certified or funded by the DHHS shall meet the requirements of RSA 161-F: 49 Registry, VII, which requires that all employers of programs that are licensed, certified, or funded by the NH Department of Health and Human Services to provide services, submit the name of prospective employees who may have client contact for review against the registry of founded reports of abuse, neglect, and exploitation of incapacitated adults.

6. Contract Monitoring

6.1. The Contractor will:

- 6.1.1. Participate in an "on-site review," conducted by the Department, of the records of clients who received dental care and treatment in the program.
- 6.1.2. Ensure the Department has access sufficient for monitoring of contract compliance requirements as identified in OMB Circular A-133.
- 6.1.3. Ensure the Department is provided with access that includes but is not limited to:
 - 6.1.3.1. Data;
 - 6.1.3.2. Financial records;
 - 6.1.3.3. Scheduled access to Contractor work sites/locations/work spaces and associated facilities;
 - 6.1.3.4. Unannounced access to Contractor work sites/locations/work spaces and associated facilities;
 - 6.1.3.5. Scheduled phone access to Contractor principals and staff.

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Exhibit B

Method and Conditions Precedent to Payment

1. Price Limitation. This Agreement is one of multiple Agreements that will serve the Senior Oral Health Program. No maximum or minimum client and service volume is guaranteed. Accordingly, the price limitation among all Agreements is identified in Block 1.8 of the P-37 for the duration of the Agreement.
2. Subject to the Contractor's compliance with the terms and conditions of the Agreement, the Department shall reimburse the Contractor for actual dental service(s) provided by the contractor to eligible individuals, resulting from referrals made by the Department and in accordance with Exhibit A, Scope of Services.
3. Reimbursement shall be based on the Senior Oral Health Program, Dental Fee Schedule, identified in Exhibit B-1.
4. Reimbursement Limits per Patient. Reimbursement is limited to \$2,000 per patient for during the Agreement period, depending on the availability of funding. Any additional treatment that exceeds the limit per patient shall be at the sole expense of the participating dental practice or clinic.
5. Contract dentists shall complete and submit Dental Claim Forms provided by the Bureau of Elderly and Adult Services for each client, due within 15 days from the date of treatment.
Dental Claim forms shall be sent to:
Bureau of Elderly and Adult Services
Administrator, Community Programs and Long-Term Care
129 Pleasant Street
Concord, NH 03301
6. Notwithstanding anything to the contrary herein, the Contractor agrees that payment under this Agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State Law, rule or regulation applicable to the services provided, or if the said services have not been satisfactory completed in accordance with the terms and condition of this Agreement.
7. The funding source for this Agreement for Dental Services is 100% federal funds from the Administration for Community Living, Title III, Part D, Disease Prevention and Health Promotion Services, CFDA 93.043. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.
8. The contractor shall have or secure a vendor number with the State of New Hampshire to receive payment from the DHHS.
9. The Contractor shall comply with the necessary steps established by the Department for making payments to vendors using Electronic Funds Transfer (EFT). Exceptions to using EFT for payment shall be made upon prior approval of the BEAS Financial Manager or designee.



Exhibit B-1

**NH Bureau of Elderly and Adult Services, Older Adult Oral Health Program (ages 60+)
Dental Fee Schedule as of February 2015**

Code	Procedure	Fee
D0120	Periodic oral evaluation	41.00
D0140	Limited oral evaluation	60.00
D0210	Intraoral-complete series	96.00
D0220	Intraoral-Periapical 1st film	15.00
D0230	Intraoral-Periapical each additional	10.00
D0270	Bitewings - Xray	17.00
D0272	Bitewings - two films	25.00
D0274	Bitewings - four films	45.00
D0330	Panoramic film	83.00
D2140	Amalgam - 1 surface	150.00
D2150	Amalgam - 2 surface	155.00
D2160	Amalgam - 3 surface	180.00
D2161	Amalgam - 4/4+ surface	200.00
D2330	Resin-1 surface anterior	131.00
D2331	Resin-2 surface anterior	143.00
D2332	Resin-3 surface anterior	147.00
D2335	Resin-4/4+ surface anterior	165.00
D2391	Resin-1 surface posterior	150.00
D2392	Resin-2 surface posterior	155.00
D2393	Resin-3 surface posterior	180.00
D2394	Resin-4/4+ surface posterior	200.00
D4341	Scaling and root planing (per quadrant)	100.00
D4355	Full mouth debridement	90.00
D5110	Complete denture-maxillary	800.00
D5120	Complete denture-mandibular	800.00
D5130	Immediate denture-maxillary	875.00
D5140	Immediate denture-mandibular	875.00
D5211	Maxillary partial-resin base	600.00
D5212	Maxillary partial-resin base	600.00
D5410	Adjust complete denture, maxillary	50.00
D5411	Adjust complete denture, mandibular	50.00
D5421	Adjust partial denture, maxillary	50.00
D5422	Adjust partial denture, mandibular	50.00
D5520	Replace denture teeth	127.00
D5750	Reline complete maxillary denture	244.00
D5751	Reline complete mandibular denture	244.00
D7140	Extraction-erupted/exposed	150.00
D7210	Extraction-surgical-imp bony	225.00
D7240	Removal of Impacted Tooth Tissue	225.00
D7310	Alveoloplasty - per quadrant	275.00
D7472	Removal of torus palatinus Mandibular 2 quadrants	400.00
D5760	Reline maxillary partial denture	99.00
D5761	Reline mandibular partial denture	99.00

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SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

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- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
 - 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
 - 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
 - 9.2. **Audit Liabilities:** In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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New Hampshire Department of Health and Human Services
Exhibit C



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
 - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or

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more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.
18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF
WHISTLEBLOWER RIGHTS (SEP 2013)

- (a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.
- (b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.
- (c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
- When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
 - 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
 - 19.3. Monitor the subcontractor's performance on an ongoing basis

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- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

FINANCIAL MANAGEMENT GUIDELINES: Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

CONTRACTOR MANUAL: Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act. NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.

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REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 4. **CONDITIONAL NATURE OF AGREEMENT.**
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.
2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;
 - 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
3. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:
 - 14.1.1 Comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$1,000,000 per occurrence with additional general liability umbrella coverage of not less than \$5,000,000.
4. The Department reserves the right to renew the Contract for up to two additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council.

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CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

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New Hampshire Department of Health and Human Services
Exhibit D



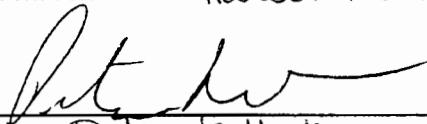
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

Contractor Name: Harbor Homes Inc.

7/30/15
Date


Name: Peter Kelleher
Title: President & CEO

Contractor Initials PK
Date 7/30/15



CERTIFICATION REGARDING LOBBYING

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Contractor Name: Harbor Homes Inc.

7/30/15
Date

Peter Kelleher
Name: Peter Kelleher
Title: President & CEO



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

[Signature]
7/30/15



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

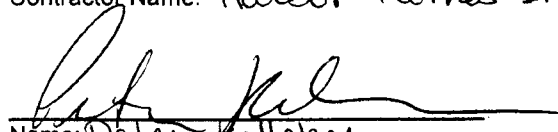
11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (I)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name: Harbor Homes Inc.

7/30/15
Date


Name: Peter Kelleher
Title: President & CEO



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Contractor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Contractor Initials

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations
and Whistleblower protections

Date

7/30/15

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Contractor agrees to comply with the provisions indicated above.

7/30/15
Date

Contractor Name: Harbor Homes Inc.

Peter Kelleher
Name: Peter Kelleher
Title: President & CEO

Exhibit G

Contractor Initials PK

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations
and Whistleblower protections



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Contractor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Contractor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Contractor Name: Harbor Homes Inc.

7/30/15
Date

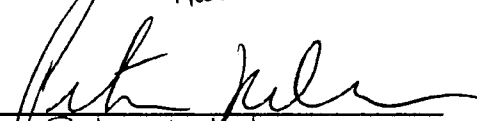

Name: Peter Kelleher
Title: President & CEO



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) Definitions.

- a. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

3/2014

Exhibit I
Health Insurance Portability Act
Business Associate Agreement
Page 1 of 6

Contractor Initials

Date

[Signature]
1/30/15



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) **Business Associate Use and Disclosure of Protected Health Information.**

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
 - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI

3/2014

Contractor Initials

Date

7/30/15



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

[Signature]

7/30/15



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) **Obligations of Covered Entity**

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) **Termination for Cause**

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) **Miscellaneous**

- a. **Definitions and Regulatory References.** All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. **Amendment.** Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. **Data Ownership.** The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. **Interpretation.** The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

SK
7/30/15



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) l, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health & Human Services
The State

[Signature]
Signature of Authorized Representative

Diane Langley
Name of Authorized Representative

Director
Title of Authorized Representative

8/11/15
Date

Harbor Homes Inc
Name of the Contractor

[Signature]
Signature of Authorized Representative

Peter Kelleher
Name of Authorized Representative

President & CEO
Title of Authorized Representative

7/30/15
Date



**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY
ACT (FFATA) COMPLIANCE**

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC.

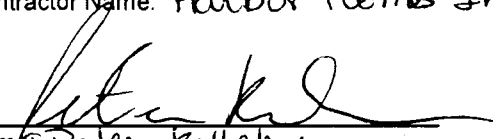
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: Harbor Home Inc.

7/30/15
Date


Name: Peter Kelleher
Title: President & CEO


7/30/15



FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 02-0351932
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

☒ NO ☐ YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

☐ NO ☐ YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Senior Oral Health Program Contract**

This 1st Amendment to the Senior Oral Health Program contract (hereinafter referred to as "Amendment #1") dated June 21, 2016, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Mid-State Health Center (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 101 Boulder Point Drive, Suite 1, Plymouth, NH 03222.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on September 16, 2015, Item #16, the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to the General Provisions, Paragraph 18 of the Form P-37 and Exhibit C-1 Paragraph 3, the Department reserves the right to renew the contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council;

WHEREAS, the Department and the Contractor agree to extend the completion date by an additional two (2) years and to increase the price limitation;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree as follows:

1. Amend General Provisions (Form P-37), Block 1.7, Completion Date, by extending the date to September 30, 2018.
2. Amend General Provisions (Form P-37), Block 1.8, Price Limitation, to read: \$83,658.00.

New Hampshire Department of Health and Human Services
Senior Oral Health Program



This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

7/22/14
Date

Maureen Ryan
NAME Maureen Ryan
TITLE Director, Office of Human Services

Mid-State Health Center

7-11-16
Date

Sharon Beaty
NAME Sharon Beaty
TITLE Chief Executive Officer

Acknowledgement:

State of NH, County of Grafton on 7/11/16, before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Candice J. Summer
Name and Title of Notary or Justice of the Peace



New Hampshire Department of Health and Human Services
Senior Oral Health Program

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

Date 8/4/16

Name: [Signature]
Title: [Signature]

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date _____

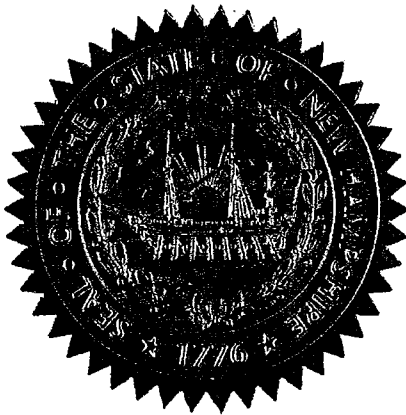
Name: _____
Title: _____

State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Mid-State Health Center is a New Hampshire nonprofit corporation formed January 9, 1998. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 18th day of April A.D. 2016

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE/AUTHORITY

I, Ann Blair, of Mid-State Health Center, do hereby certify that:

1. I am the duly elected Secretary of Mid-State Health Center;
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of Mid-State Health Center, duly held on April 23, 2013:

RESOLVED: That this Corporation may enter into contracts with the State of New Hampshire, acting through its Department of Health and Human Services.

RESOLVED: That the Chief Executive Officer of Mid-State Health Center is hereby authorized on behalf of this Corporation to enter into said contract with the State and to execute any and all documents, agreements, and other instruments in addition to any amendments, revisions or modifications thereto, as she may deem necessary, desirable or appropriate.

3. I further certify that the foregoing resolutions have not been amended or revoked and remain in full force and effective as of July 11, 2016.
4. Sharon Beaty is the duly appointed Chief Executive Officer of the Corporation. Robert MacLeod is the duly elected Board President of the Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand as the Secretary of Mid-State Health Center on this, the 11th day of July, 2016.

Ann Blair

Ann Blair, Secretary

STATE OF NH,

COUNTY OF Grafton

The foregoing instrument was acknowledged before me this 11th day of July, 2016 by Ann Blair.

[Signature]
Notary Public/Justice of the Peace

My Commission Expires: 3 23-21



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
7/18/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Arthur J. Gallagher Risk Management Services, Inc. 470 Atlantic Avenue Boston MA 02210	CONTACT NAME:	
	PHONE (A/C, No, Ext):	FAX (A/C, No):
INSURED Mid-State Health Center 101 Boulder Point Drive Suite 1 Plymouth NH 03264	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A: National Fire & Marine Insurance Co	NAIC # 20079
	INSURER B: New Hampshire Employers Insurance Co	
	INSURER C:	
	INSURER D:	
INSURER E:		
INSURER F:		

COVERAGES**CERTIFICATE NUMBER:** 276345728**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC ☐ OTHER:			HN004919	10/1/2015	10/1/2016	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$50,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$3,000,000 \$
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ☐ NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB ☐ OCCUR EXCESS LIAB ☐ CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N ☒ N	N/A	ECC60040000792015A	10/1/2015	10/1/2016	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
A	Healthcare Professional & Physicians Liab.			HN004919	10/1/2015	10/1/2016	\$1,000,000 Each Clai \$3,000,000 Aggregate Claims Made Coverage

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER**CANCELLATION**State of New Hampshire
Department of Health and Human Services
129 Pleasant Street
Concord NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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Where your care comes together.

Family, Internal and Pediatric Medicine • Behavioral Health Services

www.midstatehealth.org

Mission Statement

Mid-State Health Center provides sound primary care to the community accessible to all regardless of the ability to pay.

Vision for the Future

- ✧ Patients are satisfied, knowledgeable and involved in their healthcare.
- ✧ Mid-State Health Center has developed collaborative relationships with the medical community.
- ✧ Facilities are comfortable, functional and accessible.
- ✧ Working environment is characterized by professional behavior, mutual respect and focused on finding solutions to problems.
- ✧ Mid-State operates in a manner that results in financial stability, enhances efficiency, respects the importance of the working environment and supports a premier teaching experience.

Core Values

- ✧ Employees and providers are held to high ethical and professional standards.
- ✧ Committed to creating a healthier community.
- ✧ Respects the privacy of the provider-patient relationship.
- ✧ Continuing education is supported at all levels of the organization.
- ✧ Provides high-quality primary care.
- ✧ Recognizes the importance of employees' need to lead healthy and balanced lives.
- ✧ Respects and considers the opinions of all stakeholders.
- ✧ Board members are actively involved, interested and committed to the success of Mid-State.

Plymouth Office: 101 Boulder Point Drive • PH (603) 536-4000 • FAX (603) 536-4001

Bristol Office: 100 Robie Road • PH (603) 744-6200 • FAX (603) 744-9024

Mailing Address: 101 Boulder Point Drive • Suite 1 • Plymouth, NH 03264

**MID-STATE HEALTH CENTER
AND SUBSIDIARY**

Consolidated Financial Statements

As of and for the Years Ended
June 30, 2015 and 2014

Supplemental Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2015

and

Independent Auditors' Report



MID-STATE HEALTH CENTER AND SUBSIDAIRY

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TYLER, SIMMS & ST. SAUVEUR, P.C.
Certified Public Accountants & Business Consultants

Independent Auditors' Report

To the Board of Trustees of
Mid-State Health Center and Subsidiary:

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Mid-State Health Center and Subsidiary, which comprise the consolidated statements of financial position as of June 30, 2015 and 2014, and the related consolidated statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Mid-State Health Center and Subsidiary as of June 30, 2015 and 2014, and the results of their operations, changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplemental Schedule of Expenditures of Federal Awards on pages 20-29 is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and is not a required part of the financial statements. The consolidating information is also presented on pages 30-35 for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of the Organization's management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2015, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Tyler, Lemus and St. Laurent, CPAs, P.C.

Lebanon, New Hampshire
October 27, 2015

MID-STATE HEALTH CENTER AND SUBSIDIARY**Consolidated Statements of Financial Position**

As of June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 751,010	\$ 1,027,767
Restricted cash	37,416	-
Patient accounts receivable, net	628,140	564,515
Estimated third-party settlements	50,000	50,000
Contracts and grants receivable	1,125,416	972,793
Prepaid expenses and other receivables	1,072,405	375,600
Total current assets	<u>3,664,387</u>	<u>2,990,675</u>
Property and equipment, net	<u>6,626,580</u>	<u>6,591,105</u>
Other assets		
Deferred financing costs	52,926	60,465
Other assets	916	1,835
Total other assets	<u>53,842</u>	<u>62,300</u>
Total assets	<u>\$ 10,344,809</u>	<u>\$ 9,644,080</u>
Liabilities		
Current liabilities		
Line of credit - SMH (Note 9)	\$ -	\$ 75,000
Accounts payable	223,688	393,737
Construction payable	-	221,468
Accrued expenses and other current liabilities	810,356	89,424
Accrued payroll and related expenses	151,805	132,025
Accrued earned time	286,748	261,041
Current portion of long-term debt	173,453	120,827
Current portion of capital lease obligations	2,742	7,581
Deferred grants and state contract revenue	838,830	768,760
Total current liabilities	<u>2,487,622</u>	<u>2,069,863</u>
Long-term debt, less current portion	<u>5,178,787</u>	<u>5,046,856</u>
Capital lease obligations, less current portion	<u>-</u>	<u>2,133</u>
Total liabilities	<u>7,666,409</u>	<u>7,118,852</u>
Commitments and contingencies (See Notes)		
Net assets		
Unrestricted	1,878,219	1,714,723
Temporarily restricted	800,181	810,505
Total net assets	<u>2,678,400</u>	<u>2,525,228</u>
Total liabilities and net assets	<u>\$ 10,344,809</u>	<u>\$ 9,644,080</u>

The accompanying notes to financial statements are an integral part of these statements.

MID-STATE HEALTH CENTER AND SUBSIDIARY
Consolidated Statements of Activities and Changes in Net Assets
For the Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Changes in unrestricted net assets		
Unrestricted revenue, gains and other support		
Patient service revenue (net of contractual allowances and discounts)	\$ 5,193,744	\$ 5,300,033
Provision for bad debts	246,767	348,130
Net patient service revenue	4,946,977	4,951,903
Contracts and grants	1,728,568	1,364,271
Contributions	11,845	499,298
Other operating revenue	1,134,035	1,349,093
Net assets released from restrictions used for operating	27,220	-
Total unrestricted revenue, gains and other support	<u>7,848,645</u>	<u>8,164,565</u>
Expenses		
Salaries and wages	4,730,533	4,129,562
Employee benefits	917,197	832,921
Insurance	97,966	103,535
Professional fees	454,019	447,205
Supplies and expenses	1,179,685	1,145,679
Depreciation and amortization	252,473	171,778
Interest expense	276,380	160,823
Total expenses	<u>7,908,253</u>	<u>6,991,503</u>
Increase (decrease) in net assets from operating activities	<u>(59,608)</u>	<u>1,173,062</u>
Non-operating gains (losses)		
Loss on disposal of fixed assets	-	(1,358)
Net assets released from restrictions used for property and equipment	223,104	23,104
Total non-operating gains (losses)	<u>223,104</u>	<u>21,746</u>
Increase in unrestricted net assets	<u>163,496</u>	<u>1,194,808</u>
Changes in temporarily restricted net assets		
Contributions	240,000	50,000
Net assets released from restrictions	(250,324)	(23,104)
Increase (decrease) in temporarily restricted net assets	<u>(10,324)</u>	<u>26,896</u>
Change in net assets	153,172	1,221,704
Net assets, beginning of year	<u>2,525,228</u>	<u>1,303,524</u>
Net assets, end of year	<u>\$ 2,678,400</u>	<u>\$ 2,525,228</u>

The accompanying notes to financial statements are an integral part of these statements.

MID-STATE HEALTH CENTER AND SUBSIDIARY

Consolidated Statements of Cash Flows

For the Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities		
Change in net assets	\$ 153,172	\$ 1,221,704
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	252,473	171,778
Amortization reflected as interest	14,953	10,985
Provision for bad debts	246,767	348,130
Loss on disposal of fixed assets	-	1,358
In-kind contributions	-	(482,417)
Contributions restricted for long-term investments	(150,000)	(50,000)
(Increase) decrease in the following assets:		
Restricted cash	(37,416)	-
Patient accounts receivable	(310,392)	(523,616)
Estimated third-party settlements	-	(15,000)
Contracts and grants receivable	(152,623)	(581,768)
Prepaid expenses and other receivables	(696,805)	(166,548)
Increase (decrease) in the following liabilities:		
Accounts payable	(170,049)	81,608
Construction payable	(221,468)	186,513
Accrued payroll and related expenses	19,780	(47,760)
Accrued earned time	25,707	4,337
Accrued other expenses	731,440	2,539
Deferred grants and state contract revenue	70,070	445,889
Net cash provided by (used in) operating activities	<u>(224,391)</u>	<u>607,732</u>
Cash flows from investing activities		
Deferred financing costs	-	(48,443)
Purchases of property and equipment	(192,480)	(2,294,335)
Proceeds from sale of assets	17,727	1,193
Net cash used in investing activities	<u>(174,753)</u>	<u>(2,341,585)</u>
Cash flows from financing activities		
Contributions restricted for long-term investment	150,000	50,000
Line of credit - SMH	(75,000)	-
Payments on capital leases	(6,972)	(6,675)
Payments on long-term debt	(128,441)	(413,689)
Proceeds on long-term debt	182,800	2,360,679
Net cash provided by financing activities	<u>122,387</u>	<u>1,990,315</u>
Net increase (decrease) in cash and cash equivalents	(276,757)	256,462
Cash and cash equivalents, beginning of year	<u>1,027,767</u>	<u>771,305</u>
Cash and cash equivalents, end of year	<u>\$ 751,010</u>	<u>\$ 1,027,767</u>

The accompanying notes to financial statements are an integral part of these statements.

MID-STATE HEALTH CENTER AND SUBSIDIARY**Consolidated Statements of Cash Flows (continued)**For the Years Ended June 30, 2015 and 2014

Supplemental Disclosures of Cash Flow Information

	<u>2015</u>	<u>2014</u>
Cash payments for:		
Interest	\$ <u>267,486</u>	\$ <u>198,020</u>
State taxes	\$ <u>-</u>	\$ <u>2,228</u>

Supplemental Disclosures of Non-Cash Transactions

During 2015, the Organization refinanced certain obligations and financed certain outstanding construction invoices through the issuance of a long-term note payable totaling \$2,423,000 (see Note 10).

During 2014, the Organization refinanced various obligations through the issuance of long-term notes payable totaling \$2,904,000 (see Note 10).

During 2014, the Organization recognized an in-kind contribution in the amount of \$482,417, representing forgiveness of the Organization's outstanding balance on a certain note payable at the time of the contribution (see Note 10).

The accompanying notes to financial statements are an integral part of these statements.

MID-STATE HEALTH CENTER AND SUBSIDIARY

Notes to Consolidated Financial Statements

As of and for the Years Ended June 30, 2015 and 2014

1. Summary of Significant Accounting Policies:

Organization

Mid-State Health Center ("MSHC") is a physician practice which provides health care to a large number of Medicare, Medicaid and charity care patients on an outpatient basis. MSHC maintains facilities in Plymouth and Bristol, New Hampshire. During fiscal year 2014, MSHC was approved as a Federally Qualified Health Center (FQHC), which helps non-profit health care organizations that serve predominately uninsured or medically underserved populations through increased Medicare and Medicaid reimbursement rates.

The consolidated financial statements include the accounts of Mid-State Community Development Corporation (MSCDC), collectively, "the Organization". MSCDC was formerly known as CRDC Plymouth Community Development Corporation prior to its name change effective in 2015.

Effective September 23, 2010, the Organization was transferred a sole member interest in MSCDC, which owns the 19,500 square foot operating facility that was developed to house the Organization, providing medical services to the underserved community in the Plymouth, New Hampshire region.

During the year ended June 30, 2012, after having participating in a pilot program with the New Hampshire Citizens Health Initiative (NHCHI) the Organization was officially recognized as a medical home.

Basis of Statement Presentation

The consolidated financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The consolidated financial statements have been prepared consistent with the American Institute of Certified Public Accountants *Audit and Accounting Guide, Health Care Organizations* (Audit Guide). All significant intercompany transactions between MSHC and MSCDC have been eliminated in consolidation.

Classes of Net Assets

The Organization reports information regarding its consolidated financial position and activities to three classes of net assets; unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

- (1) Unrestricted Net Assets are not subject to donor-imposed stipulations.
- (2) Temporarily Restricted Net Assets are subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as temporarily restricted net assets until the Organization satisfies the donor imposed restriction. Absent explicit donor stipulations about how long-lived assets must be maintained, the Organization reports expirations of donor restrictions over the remaining useful life of the donated or acquired long-lived asset.
- (3) Permanently Restricted Net Assets are subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the institution to use all or part of the income earned on related investments for general or specific purposes. There were no permanently restricted net assets as of June 30, 2015 and 2014.

MID-STATE HEALTH CENTER AND SUBSIDIARY

Notes to Consolidated Financial Statements

As of and for the Years Ended June 30, 2015 and 2014

1. Summary of Significant Accounting Policies (continued):

Contractual Arrangements with Third-Party Payors

The Medicare and Medicaid programs pay the Organization for services at predetermined rates by treatment. The Organization is reimbursed for Medicare cost reimbursable items at a tentative rate with final settlement determined after the submission of annual cost reports and audits thereof by the Medicare fiscal intermediary. Changes in Medicare and Medicaid programs or reduction of funding levels for programs could have an adverse effect on future amounts recognized as net patient service revenue.

The laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

The Organization also enters into preferred provider agreements with certain commercial insurance carriers. Payment arrangements to the Organization under these agreements include discounted charges and fee schedule payments.

Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors.

Charity Care

The Organization provides care to patients who meet certain criteria under its charity care policy with minimal charge or at amounts less than its established rates. Because the Organization does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

Estimates

The Organization uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could differ from those estimates.

Income Taxes

MSHC and MSCDC are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code (Code) and are exempt from Federal income taxes on related income pursuant to Section 501(a) of the Code.

The Organization accounts for its uncertain tax positions in accordance with the accounting methods under ASC Subtopic 740-10. The UTP rules prescribe a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken in an organization's tax return. The Organization believes that it has appropriate support for the tax positions taken and, as such, does not have any uncertain tax positions that might result in a material impact on the Organization's statements of financial position, activities and changes in net assets and cash flows. The Organization's management believes it is no longer subject to examinations for the years prior to 2011.

MID-STATE HEALTH CENTER AND SUBSIDIARY

Notes to Consolidated Financial Statements

As of and for the Years Ended June 30, 2015 and 2014

1. Summary of Significant Accounting Policies (continued):

Cash and Cash Equivalents

Cash and cash equivalents include demand deposits, petty cash funds and investments with a maturity of three months or less, and exclude amounts whose use is limited by Board designation or other arrangements under trust agreements or with third-party payors.

Receivables

Patient receivables are carried at their estimated collectible amounts. Patient credit is generally extended on a short-term basis; thus, patient receivables do not bear interest.

Patient receivables are periodically evaluated for collectability based on credit history and current financial condition. The Organization uses the allowance method to account for uncollectible accounts receivable.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Property and equipment donated for Organization operations are recorded at fair value at the date of receipt. Expenditures for repairs and maintenance are expensed when incurred and betterments are capitalized.

Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed on the straight-line method. Equipment under capital leases is amortized on the straight-line method over the life of the capital lease. Such amortization is included in depreciation and amortization in the financial statements.

Estimated useful lives are as follows:

	<u>YEARS</u>
Buildings	5 - 40
Leasehold improvements	5
Equipment	3 - 7
Furniture and fixtures	5 - 15
Capital leases	3 - 15

The Organization reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects, as well as the effects of obsolescence, demand, competition and other economic factors.

Concentration of Credit Risk

Financial instruments that potentially expose the Organization to concentrations of credit and market risks consist primarily of cash. The Organization has not experienced any losses on its cash.

MID-STATE HEALTH CENTER AND SUBSIDIARY

Notes to Consolidated Financial Statements

As of and for the Years Ended June 30, 2015 and 2014

1. Summary of Significant Accounting Policies (continued):

Fair Value of Financial Instruments

The carrying amount of cash, patient accounts receivable, accounts and notes payable and accrued expenses approximates fair value.

Advertising

Advertising costs are charged to operations when incurred. Total advertising expense for the years ended June 30, 2015 and 2014 was \$24,507 and \$20,370, respectively.

Functional Allocation of Expenses

Expenses that can be identified with specific program or supporting services are charged directly to the related program or supporting service. Expenses that are associated with more than one program or supporting service are allocated based on an evaluation by management. Program expenses, management and general expenses and fundraising expenses totaled \$5,762,838, \$2,143,786 and \$22,385, respectively, for the year ended June 30, 2015.

Reclassification

Certain reclassifications have been made to the 2014 consolidated financial statements to conform to the 2015 presentation. Such reclassifications had no effect on the previously reported change in net assets.

Recent Accounting Pronouncements

In April 2013, the FASB issued Accounting Standards Update (ASU) No. 2013-06, *Not-for-Profit Entities (Topic 958) - Services Received from Personnel of an Affiliate*. The objective of the amendments in this ASU were to specify the guidance that the NFP apply for recognizing and measuring services received from personnel of an affiliate. The Organization's adoption of ASU No. 2013-06 in 2015 did not have a material effect on these consolidated financial statements.

In April 2015, the FASB issued Accounting Standards Update (ASU) 2015-03, *Interest - Imputation of Interest*, Subtopic 835-30. The update simplifies the presentation of debt issuance costs and will require that debt issuance costs related to a recognized debt liability be presented in the statement of financial position as a direct reduction from the carrying amount of that debt liability, consistent with the handling of debt discounts. The update is effective for financial statements issued for fiscal years beginning after December 31, 2015 with early adoption permitted and requires that it be retrospectively applied. The Organization has not elected to early adoption of the provisions of ASU 2015-03.

2. Charity Care:

The Organization maintains records to identify and monitor the level of charity care they provide. These records include the amount of charges foregone for services and supplies furnished under their charity care policies. The total cost estimate is based on an overall cost to charge ratio applied against gross charity care charges. The net cost of charity care provided was approximately \$197,000 and \$401,000 for the years ended June 30, 2015 and 2014, respectively. Gross patient service revenue provided on a charity care basis was approximately 2.9% and 5.7% for the years ended June 30, 2015 and 2014, respectively.

MID-STATE HEALTH CENTER AND SUBSIDIARY

Notes to Consolidated Financial Statements

As of and for the Years Ended June 30, 2015 and 2014

2. Charity Care (continued):

The Organization estimates its cost of charity care by applying the percentage of operating expenses to unrestricted revenues and gains to the gross charges foregone. In 2015 and 2014, 612 and 832 patients received charity care out of a total of 9,881 and 10,148 patients, respectively. The Organization provides health care services to residents of Plymouth, New Hampshire as well as Bristol, New Hampshire and their surrounding areas, without regard to the individual's ability to pay for their services.

Determination of eligibility for charity care is granted on a sliding fee basis:

For dental services, patients with family income less than 100% of the Community Services Administration Income Poverty Guidelines shall only be responsible for a nominal fee assessed by the Organization and not the balance of their account for services received. Those with family income at least equal to 101%, but not exceeding 125% of the Federal Poverty Guidelines, receive a 65% discount. Those with family income at least equal to 126%, but not exceeding 150% of the guidelines, receive a 55% discount. Those with family income at least equal to 151%, but not exceeding 200% of the guidelines, receive a 45% discount.

For all other services, patients with family income less than 100% of the Community Services Administration Income Poverty Guidelines shall only be responsible for a nominal fee assessed by the Organization and not the balance of their account for services received. Those with family income at least equal to 101%, but not exceeding 138% of the Federal Poverty Guidelines, shall be responsible for a \$20 fee for each encounter. Those with family income at least equal to 139%, but not exceeding 160% of the guidelines, will be responsible for a \$30 fee for each encounter. Those with family income at least equal to 161%, but not exceeding 180% of the guidelines, will be responsible for a \$40 fee for each encounter. Those with family income at least equal to 181%, but not exceeding 200% of the guidelines, will be responsible for a \$50 fee for each encounter.

Third-Party Payor Losses – In addition, the Organization incurred losses in the treatment of Medicare and Medicaid patients. Both of these government programs reimburse for medical services at less than billed charges to provide those services. In 2015 and 2014, the Organization incurred losses of \$1,029,126 and \$1,035,162, respectively, related to treating Medicare and Medicaid patients.

3. Net Patient Service Revenue and Patient Accounts Receivable:

Net Patient Service Revenue – Net patient service revenue is reported net of contractual allowances, allowance for bad debts and other discounts as follows for the years ended June 30:

	<u>2015</u>	<u>2014</u>
Gross patient service revenue	\$ 6,964,894	\$ 7,335,081
Third-party payor settlements	61,632	83,825
Less: Contractual allowances and discounts	<u>1,832,782</u>	<u>2,118,873</u>
Net patient service revenue before provision for bad debts	5,193,744	5,300,033
Less: Provision for bad debt	<u>246,767</u>	<u>348,130</u>
Net patient service revenue	<u>\$ 4,946,977</u>	<u>\$ 4,951,903</u>

MID-STATE HEALTH CENTER AND SUBSIDIARY

Notes to Consolidated Financial Statements

As of and for the Years Ended June 30, 2015 and 2014

3. Net Patient Service Revenue and Patient Accounts Receivable (continued):

Net Patient Service Revenue by Payor Source

The Organization's net patient service revenue before provision for bad debts was comprised of the following for the years ended June 30:

	<u>2015</u>	<u>2014</u>
Governmental payors	\$ 2,677,929	\$ 2,544,332
Other third-party payors	2,265,898	2,478,023
Self-pay	<u>249,917</u>	<u>277,678</u>
Total all payors	<u>\$ 5,193,744</u>	<u>\$ 5,300,033</u>

Patient Accounts Receivable – Patient accounts receivable is reported net of estimated contractual allowances and allowance for doubtful accounts, as follows, as of June 30:

	<u>2015</u>	<u>2014</u>
Patient accounts receivable	\$ 1,132,241	\$ 1,042,117
Less: Estimated contractual allowances	267,101	269,602
Less: Estimated allowance for doubtful accounts	<u>237,000</u>	<u>208,000</u>
Patient accounts receivable, net	<u>\$ 628,140</u>	<u>\$ 564,515</u>

Patient accounts receivable are reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, the Organization analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with service provided to patients who have third-party coverage, the Organization analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary. For receivables associated with self-pay patients, including both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for only part of the bill, the Organization records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

4. Estimated Third-Party Settlements:

Provision has been made for estimated adjustments that may result from final settlement of reimbursable amounts as may be required upon completion and audit of related cost finding reports under terms of contracts with the Center for Medicare and Medicaid Services and the New Hampshire Division of Welfare (Medicaid). Differences between estimated adjustments and amounts determined to be recoverable or payable are accounted for as income or expense in the year that such amounts become known.

MID-STATE HEALTH CENTER AND SUBSIDIARY

Notes to Consolidated Financial Statements

As of and for the Years Ended June 30, 2015 and 2014

5. Grants and State Contracts:

The Organization receives various reimbursement grants from the federal government, State of New Hampshire and other public and private agencies. The following is a summary of the grant activity for the years ended June 30:

	Earned Grant and State Contract Revenue		Outstanding Receivable		Deferred Grants and State Contract Revenue	
	2015	2014	2015	2014	2015	2014
HPHC Quality Grant - 2013	\$ -	\$ 35,877	\$ 17,939	\$ 17,939	\$ 17,939	\$ 17,939
HRSA Grant - 2014	-	115,257	-	-	-	-
HRSA Grant - 2015	107,001	42,007	-	-	-	-
HRSA Grant - 2014 - 2016	1,013,623	433,333	665,017	512,500	540,353	379,167
Bi-State PCA Grant	124,142	124,367	58,740	-	-	-
NH Primary Care Contract - 2014	-	152,176	-	54,530	-	-
NH Primary Care Contract - 2015	175,511	-	14,626	175,511	23,676	175,511
NH Primary Care Contract - 2016	-	-	227,722	-	227,722	-
Emergency Preparedness Grant - 2014	157,768	175,269	48,547	23,109	-	-
Emergency Preparedness Grant - 2015	-	-	-	151,880	-	151,880
Other Grant and Contract Awards	150,523	285,985	92,825	37,324	29,140	44,263
	<u>\$ 1,728,568</u>	<u>\$ 1,364,271</u>	<u>\$ 1,125,416</u>	<u>\$ 972,793</u>	<u>\$ 838,830</u>	<u>\$ 768,760</u>

6. Property and Equipment:

Property and equipment consisted of the following as of June 30:

	2015	2014
Land	\$ 525,773	\$ 525,773
Buildings	6,346,118	6,338,876
Leasehold improvements	97,798	97,798
Furniture, fixtures and equipment	1,028,215	820,047
Projects in progress	72,376	-
	<u>8,070,280</u>	<u>7,782,494</u>
Less: Accumulated depreciation	<u>1,443,700</u>	<u>1,191,389</u>
	<u>\$ 6,626,580</u>	<u>\$ 6,591,105</u>

Depreciation and amortization expense, including amortization expense on capital lease obligations, for the years ended June 30, 2015 and 2014 amounted to \$252,473 and \$182,945, respectively.

MID-STATE HEALTH CENTER AND SUBSIDIARY

Notes to Consolidated Financial Statements

As of and for the Years Ended June 30, 2015 and 2014

7. Deferred Financing Costs:

Costs related to obtaining financing are deferred and reported net of accumulated amortization. Amortization is recognized on a straight-line basis over the period the related obligations are outstanding.

In August 2006, the Organization recognized financing costs related to the financing of MSCDC's land purchase and building construction ("2006 Financing") totaling \$151,642. The 2006 Financing matured during 2014. Amortization expense associated with the 2006 Financing included in interest expense was \$1,931 for the year ended June 30, 2014.

In August 2013, the Organization recognized financing costs related to the mortgaging of its Plymouth facility totaling \$49,015. The obligation has a term of 240 months and matures in August 2033. Accumulated amortization as of June 30, 2015 and 2014 was \$4,697 and \$2,247, respectively. Amortization expense included in interest expense for the years ended June 30, 2015 and 2014 was \$2,451 and \$2,247, respectively.

In August 2013, the Organization recognized financing costs related to the issuance of a note payable totaling \$6,000. The obligation has a term of 60 months and matures in August 2016. Accumulated amortization as of June 30, 2015 and 2014 was \$3,833 and \$1,833, respectively. Amortization expense included in interest expense for the years ended June 30, 2015 and 2014 was \$2,000 and \$1,833, respectively.

8. Other Assets:

Included in other assets are capitalized legal fees related to the rental agreement and potential purchase of the building the Organization currently occupies in the amount of \$9,163. Amortization expense related to the capitalized fees for the years ended June 30, 2015 and 2014 was \$916. Accumulated amortization was \$8,247 and \$7,328 as of June 30, 2015 and 2014, respectively.

9. Lines of Credit:

The Organization had an available line of credit with a maximum borrowing amount of \$100,000 as of June 30, 2015. The line carries an interest rate equal to 5.25% (prime plus 2%). The line is secured by all business assets. The line was not drawn upon as of June 30, 2015 and 2014.

As of June 30, 2014, the Organization had an outstanding balance on a line of credit provided by Speare Memorial Hospital of \$75,000. The funds were initially advanced to establish a lease deposit account with MSCDC on behalf of the Organization. The line called for interest at the greater of 2% or the interest earned on the deposit account. The line was repaid during the year ended June 30, 2015.

10. Long-Term Debt:

Long-term debt consisted of the following at June 30:

	<u>2015</u>	<u>2014</u>
Woodsville Guarantee Savings Bank note payable, maturing September 2015, 23 interest only payments at a rate of 5%, 1 balloon payment of principal and accrued unpaid interest (see Note 10a).	\$ -	\$ 2,110,002

MID-STATE HEALTH CENTER AND SUBSIDIARY

Notes to Consolidated Financial Statements

As of and for the Years Ended June 30, 2015 and 2014

10. Long-Term Debt (continued):

	<u>2015</u>	<u>2014</u>
Woodsville Guarantee Savings Bank note payable, maturing August 2033, principal and interest payable in 240 monthly installments of \$18,194 through August 2033. Interest is charged at a rate of 5.25% (see Note 10b).	2,552,970	2,634,916
Woodsville Guarantee Savings Bank note payable, maturing August 2018, principal and interest payable in 60 monthly installments of \$3,757. Interest is charged at a rate of 4% (see Note 10c).	133,884	172,765
Capital Regional Development Council note payable, maturing August 2016, 36 interest only payments at a rate of 6%, Pending compliance with provisions of the loan agreement, the outstanding principal of the note will be forgiven in August 2016.	250,000	250,000
United States of America Department of Agriculture note payable, maturing April 2045, principal and interest payable in 360 monthly payments of \$10,904. Interest is charged at a rate of 3.5% (see Note 10a).	<u>2,415,386</u>	<u>-</u>
Total debt	5,352,240	5,167,683
Less: current portion	<u>173,453</u>	<u>120,827</u>
Long-term debt, less current portion	\$ <u>5,178,787</u>	\$ <u>5,046,856</u>

10a In September 2013, the Organization refinanced its then outstanding Woodsville Guarantee Savings Bank interim note payable with a construction loan. The new loan had an advancement amount of up to \$2,700,000, and called for interest only payments at a rate of 5% beginning October 2013, for 23 consecutive months, and 1 balloon payment of principal and accrued unpaid interest due September 2015. In April 2015, the Organization entered into a long-term debt arrangement with the United States of American Department of Agriculture ("USDA") totaling \$2,423,000. The proceeds from the loan were used to refinance the construction loan balance and unpaid accrued interest and to satisfy outstanding invoices related to the construction of the Bristol property. The loan is secured by the Organization's property located in Bristol, New Hampshire. The loan agreement requires the Organization to establish a reserve account which is to be funded in monthly installments of \$1,090 until the accumulated sum of reserve funding reaches \$130,848, after which no further funding is required except to replace withdrawals. As of June 30, 2015, the reserve account totaled \$37,416, reflected on the consolidated statement of financial position as restricted cash.

10b In August 2013, the Organization entered into a first mortgage note payable Woodsville Guarantee Savings Bank totaling \$2,700,000. The note refinanced certain obligations previously incurred in connection with the purchase of land in Plymouth, New Hampshire and the construction of a 19,500 square foot operating facility that houses a substantial portion of the Organization's operations, providing medical services to the underserved community in the Plymouth, New Hampshire region.

10c In August 2013, the Organization refinanced its previously outstanding NH Electric Cooperative, Inc. note payable with Woodsville Guarantee Savings Bank. The new \$204,000 note is secured by a second mortgage against the Organization's Plymouth Facility.

MID-STATE HEALTH CENTER AND SUBSIDIARY

Notes to Consolidated Financial Statements

As of and for the Years Ended June 30, 2015 and 2014

10. Long-Term Debt (continued):

Future maturities of long-term debt are as follows as of June 30, 2015:

2016	\$ 173,453
2017	431,412
2018	189,748
2019	160,342
2020	160,152
Thereafter	<u>4,237,133</u>
	<u>\$ 5,352,240</u>

11. Capital Lease Obligations:

The Organization has entered into capital lease obligations on certain equipment. The terms of the leases are between three and four years expiring at various times through 2016. Accordingly, the Organization has recorded the transactions as capital lease obligations. For the years ended June 30, 2015 and 2014, amortization expense totaling \$6,371 and \$6,658, respectively, was included in depreciation and amortization expense. The cost basis of all equipment under capital leases was \$23,968 as of June 30, 2015 and 2014.

The following is a schedule, by year, of future minimum lease payments under the capital leases as of June 30, 2015:

2016	\$ <u>2,799</u>
Total minimum lease payments	2,799
LESS: Amount representing interest	<u>57</u>
Present value of minimum lease payments	2,742
LESS: Current portion	<u>2,742</u>
Long-term capital lease obligations	<u>\$ -</u>

12. Malpractice Insurance Coverage:

The Organization is involved in litigation arising in the ordinary course of business. Claims alleging malpractice have been asserted against the Organization. The Organization is insured for malpractice under a claims-made policy. This type of policy covers malpractice claims which are reported to the insurance carrier during the policy term. Based on management's evaluation of malpractice claims, reserves for professional liability claims were \$750,000 and \$0 as of June 30, 2015 and 2014, respectively, and are included in accrued expenses and other current liabilities in the accompanying consolidated statements of financial position.

The Organization's professional liability risks, in excess of certain per claim amounts, are insured through the policy described above. The amounts receivable under the policy totaled \$750,000 and \$0 as of June 30, 2015 and 2014, respectively, and are included in prepaid expenses and other receivables in the accompanying consolidated statements of financial position.

MID-STATE HEALTH CENTER AND SUBSIDIARY

Notes to Consolidated Financial Statements

As of and for the Years Ended June 30, 2015 and 2014

13. Commitments and Contingencies:

Leases – Prior to 2015, the Organization leased office space from Speare Memorial Hospital. Rent expense related to the lease for the year ended June 30, 2014 was \$31,815. The lease was not renewed for 2015.

Real Estate Taxes – As of June 30, 2015, the Organization was in discussions with the Town of Plymouth, New Hampshire Municipal Corporation (“Town”) related to the tax-exempt status of its operating facility. The Organization’s management team believes that the Organization was no longer required to pay real estate taxes associated with its operating facility effective the date that MSCDC received its tax-exempt status (see Note 1), so long as the Organization timely files its application for tax exemption with the Town on an annual basis. The Town entered into discussions with the Organization regarding a potential payment in lieu of taxes for which no resolution had been reached as of June 30, 2015. The Organization has not provided for an accrual of unpaid real estate taxes as it believes it is more likely than not that no obligation will be incurred.

14. Concentration of Credit Risk:

The Organization grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors was as follows at June 30:

	<u>2015</u>	<u>2014</u>
Medicare	27.6%	29.2%
Medicaid	22.8%	14.0%
Blue Cross	13.6%	15.7%
Patients	12.3%	17.2%
Other third-party payors	<u>23.7%</u>	<u>23.9%</u>
	<u>100.0%</u>	<u>100.0%</u>

The mix of gross patient service revenue from patients and third-party payors was as follows at June 30:

	<u>2015</u>	<u>2014</u>
Medicare	37.0%	35.5%
Medicaid	14.7%	9.9%
Blue Cross	20.9%	21.5%
Patients	6.2%	9.9%
Other third-party payors	<u>21.2%</u>	<u>23.2%</u>
	<u>100.0%</u>	<u>100.0%</u>

15. Retirement Program:

During 2007, the Organization adopted a tax sheltered annuity plan under 403(b) of the Code for eligible employees. Eligible employees are specified as those who normally work more than 20 hours per week and are not classified as independent contractors. The Organization provides for matching of employee contributions, 50% of the first 6% contributed. Contributions to the plan for the years ended June 30, 2015 and 2014 were \$95,333 and \$80,322, respectively.

MID-STATE HEALTH CENTER AND SUBSIDIARY

Notes to Consolidated Financial Statements

As of and for the Years Ended June 30, 2015 and 2014

16. Other Operating Revenue:

The following summarizes components of other operating revenue for the years ended June 30:

	<u>2015</u>	<u>2014</u>
Other operating revenue:		
Montessori Center	\$ 140,198	\$ 130,721
Pharmacy income - 340B	772,881	940,488
Anthem shared savings	131,067	-
Accountable Care Organization	-	112,375
Other operating revenue	89,889	165,509
	<u>\$ 1,134,035</u>	<u>\$ 1,349,093</u>

17. Health Insurance:

The Organization offers health insurance benefits to all employees under available Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) plans. Deductibles under the HMO and PPO plans in aggregate are \$2,500 and \$3,000, respectively. The Organization is obligated to pay a certain portion of the deductible required under either plan once the employee's portion has been fully exhausted. For the HMO and PPO plans, the maximum portion of the deductible the Organization is potentially obligated for is \$500 and \$1,000, respectively. The total deductible expense incurred during the years ended June 30, 2015 and 2014 was \$6,020 and \$5,206, respectively.

The Organization provides for an accrual based on the aggregate amount of the liability for reported claims and an estimated liability for claims incurred but not yet reported. At June 30, 2015 and 2014, "accrued expenses and other current liabilities" include an accrued liability related to these plans of \$8,600.

18. Related Party:

During 2011, the Organization was gifted a sole membership interest in MSCDC (see Note 1). As a result of the gift, management of the Organization was required to determine the fair value of the underlying assets gifted to and liabilities assumed by the Organization and determine if the transaction contained a differential from the existing book values as of the date of the gift.

Management utilized valuation techniques for medical office space to determine an estimated fair value per square foot resulting in a differential attributed to the building in the amount of \$847,145. The differential will be amortized over the life of the building asset it was attributed to. Amortization related to the differential for both years ended June 30, 2015 and 2014 was \$23,104, included in depreciation and amortization in the consolidated statement of activities.

MID-STATE HEALTH CENTER AND SUBSIDIARY

Notes to Consolidated Financial Statements

As of and for the Years Ended June 30, 2015 and 2014

19. Subsequent Events:

The Organization has reviewed events occurring after June 30, 2015 through October 27, 2015 the date the board of trustees accepted the final draft of the consolidated financial statements and made them available to be issued. Other than the items noted below, the Organization has not identified other events requiring disclosure that have occurred between the period of June 30, 2015 and the report date, October 27, 2015. The Organization has not reviewed events occurring after the report date for their potential impact on the information contained in these consolidated financial statements.

In September 2015, the Organization received an adjustment in the amount of \$66,210 to its HRSA grant award increasing the Organization's total award to \$1,092,682. The adjustment is applicable for the budget period of February 2015 through January 2016.

In October 2015, the Organization received \$195,423 in relation to its participation in the Anthem Blue Cross Shared Savings Program.

MID-STATE HEALTH CENTER
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-through Entity or Award Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Consolidated Health Centers	93.224	H80CS26640-01-03	\$ 1,013,623
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement Program	93.912	D04RH23600-01-00	107,001
			<u>1,120,624</u>
Pass-Through from N.H. Department of Health and Human Services:			
Grant to States to Support Oral Health Workforce Activities	93.236	22-3061156	124,142
Public Health Emergency Preparedness	93.069		64,942
Block Grants for Prevention and Treatment of Substance Abuse	93.959		65,380
Immunization Cooperative Agreements	93.268		10,500
Maternal and Child Health Services Block Grant to the States	93.994		<u>43,527</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 1,429,115</u></u>

The accompanying notes to financial statements are an integral part of this schedule.

MID-STATE HEALTH CENTER
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

1. Basis of Presentation:

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of MSHC under programs of the federal government for the year ended June 30, 2015.

The information in the schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Since the schedule presents only a selected portion of the operations of MSHC, it is not intended to and does not present the statement of financial position, statement of activities and changes in net assets or cash flows of MSHC.

2. Significant Accounting Policies:

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Schedule includes Catalog of Federal Domestic Assistance (CFDA) and pass-through award numbers when available.



TYLER, SIMMS & ST. SAUVEUR, P.C.
Certified Public Accountants & Business Consultants

Report 1

**Independent Auditors' Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards***

To the Board of Trustees of
Mid-State Health Center:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Mid-State Health Center ("MSHC") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 27, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered MSHC's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of MSHC's internal control. Accordingly, we do not express an opinion on the effectiveness of MSHC's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

**Independent Auditors' Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards* (continued)**

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies, 2015-001 and 2015-002.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether MSHC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2015-001 and 2015-002.

We noted certain other matters that we reported to management of MSHC in a separate letter dated October 27, 2015.

Mid-State Health Center's Response to Findings

MSHC's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. MSHC's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Tyler, Lemus and St. Simeur, CPAs, P.C.

Lebanon, New Hampshire
October 27, 2015



TYLER, SIMMS & ST. SAUVEUR, P.C.
Certified Public Accountants & Business Consultants

Report 2

Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133

To the Board of Trustees of
Mid-State Health Center:

Report on Compliance for Each Major Federal Program

We have audited Mid-State Health Center's ("MSHC") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of MSHC's major federal programs for the year ended June 30, 2015. MSHC's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of MSHC's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about MSHC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of MSHC's compliance.

**Independent Auditors' Report on Compliance for Each Major Program and on
Internal Control Over Compliance Required by OMB Circular A-133
(continued)**

Opinion on Each Major Federal Program

In our opinion, MSHC complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2015-002. Our opinion on each major federal program is not modified with respect to this matter.

MSHC's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. MSHC's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of MSHC is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered MSHC's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of MSHC's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Independent Auditors' Report on Compliance for Each Major Program and on
Internal Control Over Compliance Required by OMB Circular A-133
(continued)**

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2015-002 that we consider to be a significant deficiency.

MSHC's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. MSHC's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Tyler, Lemms and St. Seureur, CPAs, P.C.

Lebanon, New Hampshire
October 27, 2015

MID-STATE HEALTH CENTER
Schedule of Findings and Questioned Costs
As of and For the Year Ended June 30, 2015

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued *Unmodified*

Internal control over financial reporting:

Material weakness identified ☐ Yes ☒ No

Significant deficiencies identified that are not considered
to be material weaknesses ☒ Yes ☐ None reported

Non-compliance material to financial statements noted ☐ Yes ☒ No

Federal Awards

Internal control over major programs:

Material weakness identified ☐ Yes ☒ No

Significant deficiencies identified that are not considered
to be material weaknesses ☒ Yes ☐ None reported

Type of auditors' report issued on compliance for major programs *Unmodified*

Any audit findings disclosed that are required to be reported in
accordance with Section .510(a) of Circular A-133 ☐ Yes ☒ No

Identification of major programs:

<u>Federal CFDA Number</u>	<u>Name of Federal/Local Program</u>
93.224	Consolidated Health Centers

Dollar threshold used to distinguish between Type A and Type B programs \$300,000

Auditee qualified as low-risk auditee? ☐ Yes ☒ No

MID-STATE HEALTH CENTER
Schedule of Findings and Questioned Costs (continued)
As of and For the Year Ended June 30, 2015

SECTION II - SUMMARY OF AUDITORS' RESULTS

2015-001

Criteria: There should be a review of grant awards for their classification and recording as either contributions or exchange transactions.

Condition: All grant awards have been treated as exchange transactions.

Context: Grant awards were reviewed on a sampled basis.

Effect: Adjustment was required to properly reflect grants acting as temporarily restricted gifts rather than exchange transactions.

Cause: Due to the irregularity of grant awards with characteristics of contributions rather than exchange transactions, management had not yet developed a procedure for identifying grants requiring recognition as contributions.

Recommendation: MSHC should adopt a grant document review policy and implement procedures to identify grant awards that contain characteristics associated with contributions rather than exchange transactions.

Views of responsible officials and planned corrective actions: MSHC will develop a reporting checklist to be used in identifying grants that contain characteristics associated with contributions rather than exchange transactions.

2015-002

Criteria: There should be segregation of duties.

Condition: Certain critical duties are performed by a single individual.

Context: Inquiry of management of the internal controls in place.

Effect: Lack of segregation of duties causes checks and balances to be lost and does not allow for the best control environment possible.

Cause: There are a limited number of people working in the accounting office.

Recommendation: Duties related to patient receivables and grant activity should be segregated. Management added additional employees to assist in segregating cash receipt and disbursement processes during 2015. Currently, certain duties related to the recording of monthly patient receivable and grant activity are performed by a single individual without oversight. We recommend that one individual be responsible for performing required reconciliations and suggested journal entries, while another individual review them for accuracy prior to posting to the general ledger.

Views of responsible officials and planned corrective actions: Management will institute a policy that the Chief Financial Officer review these reconciliations prepared by an another accounting professional prior to posting the activity to the general ledger.

MID-STATE HEALTH CENTER
Schedule of Findings and Questioned Costs (continued)
As of and For the Year Ended June 30, 2015

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2015-002

See finding 2015-002 under Section II - Summary of Auditors' Results

SECTION IV - PRIOR YEAR AUDIT FINDINGS

2014-001

Criteria: There should be a patient accounts receivable credit balance policy to ensure proper handling of patient overpayments and compliance with New Hampshire's abandoned property rules.

Condition: A credit balance policy has been implemented. Credit balances remain significant to the financial statements as a whole.

2014-002 Repeated as 2015-002

MID-STATE HEALTH CENTER AND SUBSIDIARY
Consolidating Statement of Financial Position – Assets – Schedule 1
As of June 30, 2015

	MSHC	CRDC	ELIMINATION	TOTAL
Assets				
Current assets				
Cash and cash equivalents	\$ 309,854	\$ 441,156	\$ -	\$ 751,010
Restricted cash	37,416	-	-	37,416
Patient accounts receivable, net	628,140	-	-	628,140
Estimated third-party settlements	50,000	-	-	50,000
Contracts and grants receivable	1,125,416	-	-	1,125,416
Prepaid expenses and other receivables	1,074,680	-	(2,275)	1,072,405
Total current assets	3,225,506	441,156	(2,275)	3,664,387
Related party note receivable	450,322	32,160	(482,482)	-
Property and equipment, net	2,867,553	3,021,626	737,401	6,626,580
Other assets				
Deferred financing costs	6,442	46,484	-	52,926
Other assets	121,534	-	(120,618)	916
Investment in subsidiary	737,401	-	(737,401)	-
Total other assets	865,377	46,484	(858,019)	53,842
Total assets	\$ 7,408,758	\$ 3,541,426	\$ (605,375)	\$ 10,344,809

MID-STATE HEALTH CENTER AND SUBSIDIARY

Consolidating Statement of Financial Position -- Liabilities and Net Assets -- Schedule 1

As of June 30, 2015

	MSHC	CRDC	ELIMINATION	TOTAL
Liabilities				
Current liabilities				
Line of credit - SMH (Note 9)	\$ -	\$ -	\$ -	\$ -
Accounts payable	192,050	33,913	(2,275)	223,688
Accrued expenses and other current liabilities	795,100	15,256	-	810,356
Accrued payroll and related expenses	151,805	-	-	151,805
Accrued earned time	286,748	-	-	286,748
Current portion of long-term debt	46,635	126,818	-	173,453
Current portion of capital lease obligations	2,742	-	-	2,742
Deferred grants and state contract revenue	838,830	-	-	838,830
Total current liabilities	<u>2,313,910</u>	<u>175,987</u>	<u>(2,275)</u>	<u>2,487,622</u>
Lease deposits	-	120,618	(120,618)	-
Related party note payable	32,160	450,322	(482,482)	-
Long-term debt, less current portion	2,368,751	2,810,036	-	5,178,787
Total liabilities	<u>4,714,821</u>	<u>3,556,963</u>	<u>(605,375)</u>	<u>7,666,409</u>
Net assets (deficit)				
Unrestricted	1,893,756	(15,537)	-	1,878,219
Temporarily restricted	800,181	-	-	800,181
Total net assets (deficit)	<u>2,693,937</u>	<u>(15,537)</u>	<u>-</u>	<u>2,678,400</u>
Total liabilities and net assets (deficit)	<u>\$ 7,408,758</u>	<u>\$ 3,541,426</u>	<u>\$ (605,375)</u>	<u>\$ 10,344,809</u>

MID-STATE HEALTH CENTER AND SUBSIDIARY
Consolidating Statement of Activities and Changes in Net Assets -- Schedule 2
For the Year Ended June 30, 2015

	MSHC	CRDC	ELIMINATION	TOTAL
Changes in unrestricted net assets				
Unrestricted revenue, gains and other support				
Patient service revenue (net of contractual allowances and discounts)	\$ 5,193,744	\$ -	\$ -	\$ 5,193,744
Provision for bad debts	246,767	-	-	246,767
Net patient service revenue	4,946,977	-	-	4,946,977
Contracts and grants	1,728,568	-	-	1,728,568
Contributions	11,845	-	-	11,845
Other operating revenue	1,133,735	331,011	(330,711)	1,134,035
Net assets released from restrictions used for operating	27,220	-	-	27,220
Total unrestricted revenue, gains and other support	7,848,345	331,011	(330,711)	7,848,645
Expenses				
Salaries and wages	4,730,533	-	-	4,730,533
Employee benefits	917,197	-	-	917,197
Insurance	97,966	-	-	97,966
Professional fees	447,394	6,625	-	454,019
Supplies and expenses	1,473,997	36,399	(330,711)	1,179,685
Depreciation and amortization	147,576	81,793	23,104	252,473
Interest expense	114,346	162,034	-	276,380
Total expenses	7,929,009	286,831	(307,607)	7,908,233
Increase (decrease) in net assets from operating activities	(80,664)	44,160	(23,104)	(59,608)
Non-operating gains (losses)				
Loss on investment in subsidiary	(23,104)	-	23,104	-
Net assets released from restrictions used for property and equipment	223,104	-	-	223,104
Total non-operating gains (losses)	200,000	-	23,104	223,104
Increase in unrestricted net assets	119,336	44,160	-	163,496
Changes in temporarily restricted net assets				
Contributions	240,000	-	-	240,000
Net assets released from restrictions	(250,324)	-	-	(250,324)
Decrease in temporarily restricted net assets	(10,324)	-	-	(10,324)
Change in net assets	109,012	44,160	-	153,172
Net assets (deficit), beginning of year	2,584,925	(59,697)	-	2,525,228
Net assets (deficit), end of year	\$ 2,693,937	\$ (15,537)	\$ -	\$ 2,678,400

MID-STATE HEALTH CENTER AND SUBSIDIARY
Consolidating Statement of Financial Position – Assets – Schedule 3
As of June 30, 2014

Assets	MSHC	CRDC	ELIMINATION	TOTAL
Current assets				
Cash and cash equivalents	\$ 513,927	\$ 513,840	\$ -	\$ 1,027,767
Patient accounts receivable, net	564,515	-	-	564,515
Estimated third-party settlements	50,000	-	-	50,000
Contracts and grants receivable	972,793	-	-	972,793
Prepaid expenses and other receivables	397,517	-	(21,917)	375,600
Total current assets	<u>2,498,752</u>	<u>513,840</u>	<u>(21,917)</u>	<u>2,990,675</u>
Related party note receivable	568,885	150,723	(719,608)	-
Property and equipment, net	<u>2,799,557</u>	<u>3,031,043</u>	<u>760,505</u>	<u>6,591,105</u>
Other assets				
Deferred financing costs	9,530	50,935	-	60,465
Deposits and other assets	122,212	-	(120,377)	1,835
Investment in subsidiary	760,505	-	(760,505)	-
Total other assets	<u>892,247</u>	<u>50,935</u>	<u>(880,882)</u>	<u>62,300</u>
Total assets	<u>\$ 6,759,441</u>	<u>\$ 3,746,541</u>	<u>\$ (861,902)</u>	<u>\$ 9,644,080</u>

MID-STATE HEALTH CENTER AND SUBSIDIARY

Consolidating Statement of Financial Position – Liabilities and Net Assets – Schedule 3

As of June 30, 2014

	MSHC	CRDC	ELIMINATION	TOTAL
Liabilities and net assets				
Current liabilities				
Line of credit - SMH (Note 9)	\$ 75,000	\$ -	\$ -	\$ 75,000
Accounts payable	393,737	15,327	(15,327)	393,737
Construction payable	221,468	-	-	221,468
Accrued expenses and other current liabilities	52,046	43,968	(6,590)	89,424
Accrued payroll and related expenses	132,025	-	-	132,025
Accrued earned time	261,041	-	-	261,041
Current portion of long-term debt	-	120,827	-	120,827
Current portion of capital lease obligations	7,581	-	-	7,581
Deferred grants and state contract revenue	768,760	-	-	768,760
Total current liabilities	1,911,658	180,122	(21,917)	2,069,863
Lease deposits	-	120,377	(120,377)	-
Related party note payable	150,723	568,885	(719,608)	-
Long-term debt, less current portion	2,110,002	2,936,854	-	5,046,856
Capital lease obligations, less current portion	2,133	-	-	2,133
Total liabilities	4,174,516	3,806,238	(861,902)	7,118,852
Net assets (deficit)				
Unrestricted	1,774,420	(59,697)	-	1,714,723
Temporarily restricted	810,505	-	-	810,505
Total net assets (deficit)	2,584,925	(59,697)	-	2,525,228
Total liabilities and net assets (deficit)	\$ 6,759,441	\$ 3,746,541	\$ (861,902)	\$ 9,644,080

MID-STATE HEALTH CENTER AND SUBSIDIARY
Consolidating Statement of Activities and Changes in Net Assets -- Schedule 4
For the Year Ended June 30, 2014

	MSHC	CRDC	ELIMINATION	TOTAL
Changes in unrestricted net assets				
Unrestricted revenue, gains and other support				
Patient service revenue (net of contractual allowances and discounts)	\$ 5,300,033	\$ -	\$ -	\$ 5,300,033
Provision for bad debts	348,130	-	-	348,130
Net patient service revenue	4,951,903	-	-	4,951,903
Contracts and grants	1,364,271	-	-	1,364,271
Contributions	499,298	-	-	499,298
Other operating revenue	1,348,757	378,450	(378,114)	1,349,093
Total unrestricted revenue, gains and other support	8,164,229	378,450	(378,114)	8,164,565
Expenses				
Salaries and wages	4,129,562	-	-	4,129,562
Employee benefits	832,921	-	-	832,921
Insurance	103,535	-	-	103,535
Professional fees	440,590	6,615	-	447,205
Supplies and expenses	1,451,550	72,243	(378,114)	1,145,679
Depreciation and amortization	68,073	80,601	23,104	171,778
Interest expense	7,423	153,400	-	160,823
Total expenses	7,033,654	312,859	(355,010)	6,991,503
Increase (decrease) in net assets from operating activities	1,130,575	65,591	(23,104)	1,173,062
Non-operating gains (losses)				
Loss on disposal of fixed assets	(1,358)	-	-	(1,358)
Loss on investment in subsidiary	(23,104)	-	23,104	-
Net assets released from restrictions used for property and equipment	23,104	-	-	23,104
Total non-operating gains (losses)	(1,358)	-	23,104	21,746
Increase in unrestricted net assets	1,129,217	65,591	-	1,194,808
Changes in temporarily restricted net assets				
Contributions	50,000	-	-	50,000
Net assets released from restrictions	(23,104)	-	-	(23,104)
Increase in temporarily restricted net assets	26,896	-	-	26,896
Change in net assets	1,156,113	65,591	-	1,221,704
Net assets (deficit), beginning of year	1,428,812	(125,288)	-	1,303,524
Net assets (deficit), end of year	\$ 2,584,925	\$ (59,697)	\$ -	\$ 2,525,228



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Mid-State Health Center Board of Directors

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Plymouth Office: 101 Boulder Point Drive • PH (603) 536-4000 • FAX (603) 536-4001

Bristol Office: 100 Robie Road • PH (603) 744-6200 • FAX (603) 744-9024

Mailing Address: 101 Boulder Point Drive • Suite 1 • Plymouth, NH 03264

Kelly J. Perry, D.M.D.

(508) 846-2800
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PROFESSIONAL QUALIFICATIONS

- NH Board of Dental Examiners, License #04099
- National Board Dental Examination Part I & II
- Western Regional Examining Board (WREB)
- CPR/BLS certified

EDUCATION

- UCSF School of Dentistry – San Francisco, CA
General Practice Residency, 2011-2012
- Tufts University School of Dental Medicine – Boston, MA
D.M.D., 2007-2011
- University of Massachusetts, Amherst – Amherst, MA
B.S. Kinesiology, 2002-2006

PROFESSIONAL EXPERIENCE

- **Dental Director, Mid-State Health Center, 2014-present**
Director of the oral health program at a Federally Qualified Health Center in Central NH. Supervises dental staff and serves as liaison with Management Team and Board of Directors. General dentist providing comprehensive oral health care to patients of all ages, including medically compromised, elderly, pediatric and patients with special needs.
- **Staff Dentist, Redwoods Rural Health Center, 2012-2014**
Comprehensive, preventative and emergency dental care at a Federally Qualified Health Center in rural Northern California.
- **General Practice Residency – UCSF School of Dentistry, 2011-2012**
Comprehensive General Dentistry including molar endo, implant –supported restorations, biopsies, fixed and removable prosthodontics.
Hospital Dentistry: Management of medically complex patients, elderly patients and hospital inpatients with on-call responsibility for dental clinics and medical center emergency department.
Special Care Dentistry: Treatment of patients with special needs in the outpatient and operating room setting.
- **Anesthesia – UCSF Medical Center, 2012**
Experience in conscious sedation and general anesthesia including IV placement, induction, intubation, airway management and peri-operative monitoring.
- **Oral and Maxillofacial Surgery – San Francisco General Hospital, 2011**
Dentoalveolar surgery including impacted third molars and alveoloplasty. Management of trauma and acute infections.
- **General Dentistry Externship, Chicopee Health Center, 2010**
Comprehensive general dentistry in a community health center for patients with limited access to care in western Massachusetts.

COMMUNITY SERVICE

- **Community Dental Clinic – UCSF School of Dentistry, 2012**
Volunteer supervisor of 10-20 dental students providing comprehensive dental care to homeless patients from San Francisco.
- **Project Homeless Connect – San Francisco, CA, 2011-2012**
Urgent care, preventative and restorative treatment of homeless patients as part of a city-wide volunteer health care initiative.
- **Project Bridge – Tufts University School of Dental Medicine, 2008-2011**
Co-director of student-run volunteer dental clinic providing comprehensive care to at-risk youth.

REFERENCES: Sophia Saeed, D.M.D.
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kperry@midstatehealth.org

3.2.2. Supplement to Curriculum Vitae: Summary of Experience

I am writing in regard to the RFA #16-DHHS-DCBCS-BEAS-RFA-01: Licensed Dentists & Oral Surgeons to increase capacity for oral health services and treatments for older adults throughout New Hampshire. I would like the opportunity to participate as a dental provider for this program. I am experienced at providing comprehensive oral health care to older adult patients and know I could be a valuable contributor to this program.

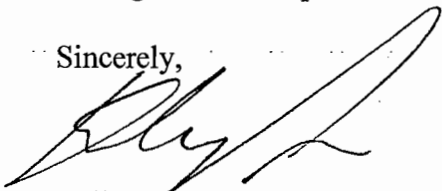
My work with the geriatric population began with my education at Tufts University, School of Dental Medicine. After graduating, I continued my education at the University of California, San Francisco in a General Practice Residency. During that time, I gained valuable experience working with older adult patients in our outpatient dental clinic. I learned to manage patients with complex medical conditions and oral health needs related to aging. I provided care to homeless patients, hospital in-patients, residents of nursing homes and patients with special needs. I also spent months working in a walk-in oral surgery clinic, completing simple and complex extractions, treating infections and managing complications.

After completing my residency, I worked for 2.5 years at a Federally Qualified Health Center in rural Northern California. As the only dental clinic for 50 miles in every direction, I provided care to patients of all ages and all socioeconomic backgrounds. I completed tooth extraction and denture procedures daily. I took pride in restoring the smiles of many unique and complicated patients. I focused heavily on patient education and oral health as a component of overall health.

In November, I returned to the east coast and now serve as Dental Director at Mid-State Health Center. I am excited to continue my work in a Federally Qualified Health Center so that I may treat patients of all ages, regardless of their ability to pay. I look forward to addressing barriers to care in my community and doing what I can to bring oral health care to those who need it most.

I feel my education and experience make me an excellent candidate for your program. I am willing and able to provide excellent oral health care to older adult patients.

Sincerely,



Kelly J. Perry, D.M.D.

Dental Director | Mid-State Health Center

RSA 317-A :13, III License Renewal states All persons licensed to practice dentistry or dental hygiene in this state shall notify the board in writing within 10 days of any change of business or residential address which may occur during the period between biennial registrations.

KELLY J PERRY, DMD
PO BOX 297
FERNDALE CA 95536



State of New Hampshire

Board of Dental Examiners

KELLY J PERRY, DMD

Active Lic #: 04099
Issued: 11/12/2014
Expires: 04/30/2016

Charles E Albee DMD

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Kelly J. Perry, DMD	Dental Director	\$135,000	N/A	N/A

5

SEP01'15 PM 1:54 DAG

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF COMMUNITY BASED CARE SERVICES

BUREAU OF ELDERLY & ADULT SERVICES

Nicholas A. Toumpas
 Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857

603-271-9203 1-800-351-1888

Diane Langley
 Director

Fax: 603-271-4643 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

August 10, 2015

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Community Based Care Services, Bureau of Elderly and Adult Services to enter into Agreements with the vendors listed below to provide to provide dental treatment to adults age sixty (60) and up in need of early or immediate intervention and who lack financial resources. No maximum client or service volume is guaranteed. Accordingly, the price limitation among all Agreements is \$27,886. The Agreements are effective upon the date of Governor Executive Council approval through September 30, 2016. 100% Federal Funds.

Vendor	Vendor #	Vendor Location
Easter Seals New Hampshire, Inc.	177204-B005	Manchester, NH
Families First of the Greater Seacoast	166629-B001	Portsmouth, NH
Goodwin Community Health	154703-B001	Somersworth, NH
Harbor Homes, Inc.	155358-B001	Nashua, NH
Mid-State Health Center	158055-B001	Plymouth, NH
Tri-County Community Action Program, Inc.	177195-B011	Tamworth, NH

Funds to support this request are anticipated to be available in the following account in State Fiscal Year 2016 and State Fiscal Year 2017 upon availability and continued appropriation of funds in the future operating budget, with authority to adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

05-95-48-481010-8917 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADM ON AGING GRANTS

Fiscal Year	Class/Object	Class Title	Total Amount
SFY 2016	102-500731	Contracts for Program Services	\$22,309
SFY 2017	102-500731	Contracts for Program Services	\$5,577
			\$27,886

EXPLANATION

Approval of these contracts will allow the Department to continue the Oral Health program for seniors. The Department's contracted hygienist conducts oral health screenings of older adults in community-based settings, including senior centers and meal sites. Based on screening results and a corresponding oral health questionnaire, individuals are identified who have pain, infection, severe

decay and/or suspicious lesions and who also do not have financial resources or dental insurance to help pay for treatment. Eligible individuals are then referred by the Department to one of these contracted dentists to receive needed dental care.

The dentist will be reimbursed according to a fixed fee schedule up to \$2,000 per individual. This fee schedule is based on the dental services and fees provided to adults in the Department of Health and Human Services Human Immunodeficiency Virus program.

The Department published a Request for Application for Licensed Dentists and Oral Surgeons (RFA #16-DHHS-DCBCS-BEAS-RFA-01) on the Department of Health and Human Services website February 10, 2015 to March 23, 2015. The Department received six applications. The applications were reviewed by a program Administration and Program Specialist in the Bureau of Elderly and Adult Services. All six applications were selected. (See attached Summary Score Sheet).

The Contract contains language that Department reserves the right to renew the contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of contracted services and Governor and Executive Council approval.

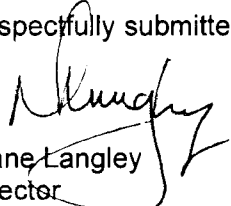
Should the Governor and Executive Council not approve this request, then adults age 60 and older with immediate dental need but without access to care will continue to face barriers to dental treatment and remain at high risk for compromised health. A growing body of evidence links dental disease and periodontal infection to diabetes, heart disease and stroke. Oral health interventions could improve the oral health of older adults, support their well-being and prevent the need for more costly care.

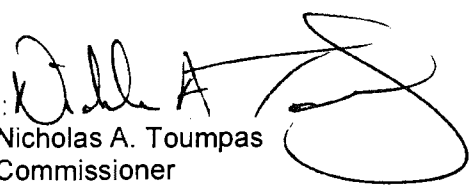
Area to be Served: Statewide

Source of Funds: 100% Federal from the United States Department of Health and Human Services, Administration for Community Living, Title III, Part D Disease Prevention and Health Promotion Services, Catalog of Federal Domestic Assistance (CFDA) #93.043 and Federal Award Identification 15AANHT3PH.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,


Diane Langley
Director

Approved by: 
Nicholas A. Toumpas
Commissioner



New Hampshire Department of Health and Human Services
Office of Business Operations
Contracts & Procurement Unit
Summary Scoring Sheet

Licensed Dentists and Oral Surgeons
RFP Name

16-DHHS-DCBCS-BEAS-RFA-01
RFP Number

Bidder Name

1. Easter Seals of New Hampshire, Inc.
2. Families First of the Greater Seacoast
3. Goodwin Community Health
4. Harbor Homes, Inc.
5. Mid-State Health Center
6. Tri-County Community Action Program, Inc.

Maximum Points	Actual Points
100	80
100	97
100	78
100	72
100	95
100	70

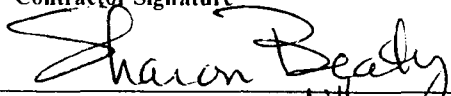
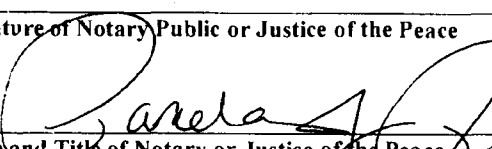
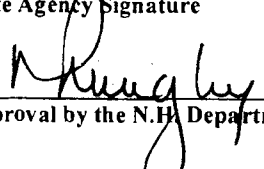
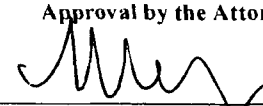
Reviewer Names

1. Tracey Tarr, Administrator
2. Margaret Morril, Program Specialist
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.

Subject: Senior Oral Health Program**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS**1. IDENTIFICATION.**

1.1 State Agency Name Department of Health & Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Mid-State Health Center		1.4 Contractor Address 101 Boulder Point Drive, Suite 1 Plymouth, NH 03222	
1.5 Contractor Phone Number 603-536-4000	1.6 Account Number 05-95-48-481010-8917-102-500731	1.7 Completion Date September 30, 2016	1.8 Price Limitation \$27,886.
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Sharon Beaty, CEO	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Grafton</u> On <u>7/29/15</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal]  , Notary			
1.13.2 Name and Title of Notary or Justice of the Peace Pamela J. Plummer			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Douglas Dineen	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Meghan A. York, Attorney On: <u>8/27/15</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination

Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("Workers' Compensation").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.



Scope of Services

1. SCOPE OF SERVICES:

1.1. The Contractor will:

1.1.1. Provide dental treatments to adults ages 60 and up who need early or immediate intervention and lack the financial resources for dental treatment, and who reside in any city or town in New Hampshire, as follows:

1.1.1.1. Accept client referrals from the Department;

1.1.1.2. Complete an oral health diagnosis for each client;

1.1.1.3. Diagnose oral health issues and problems and develop a dental treatment plan based on the client's identified oral health and/or treatment needs;

1.1.1.4. Schedule and remind clients of their dental appointments;

1.1.1.5. Perform, with the individual's approval, dental services and treatment in accordance with the Exhibit B-1 Dental Fee Schedule up to a \$2,000 limit per individual patient for the contract period;

1.1.1.6. Follow up with clients to ensure their pain or infection was alleviated after receiving dental treatment(s);

1.1.1.7. Provide client level data in a secure, electronic format as specified by the Department for completion of required reports; and

2. Licensing Requirements:

The Contractor will ensure that the dentist(s) performing services under this agreement, including any subcontract agreements, must possess a current dental license issued by the State of New Hampshire Board of Dental Examiners.

3. Cultural Considerations:

The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

4. Criminal Background Check:

Contractor shall conduct a New Hampshire criminal background check for a potential applicant for employment or volunteer, funded under this contract.



5. DHHS' Bureau of Elderly and Adult Services' (BEAS) State Registry:

Contractors which are licensed, certified or funded by the DHHS shall meet the requirements of RSA 161-F: 49 Registry, VII, which requires that all employers of programs that are licensed, certified, or funded by the NH Department of Health and Human Services to provide services, submit the name of prospective employees who may have client contact for review against the registry of founded reports of abuse, neglect, and exploitation of incapacitated adults.

6. Contract Monitoring

6.1. The Contractor will:

- 6.1.1. Participate in an "on-site review," conducted by the Department, of the records of clients who received dental care and treatment in the program.
- 6.1.2. Ensure the Department has access sufficient for monitoring of contract compliance requirements as identified in OMB Circular A-133.
- 6.1.3. Ensure the Department is provided with access that includes but is not limited to:
 - 6.1.3.1. Data;
 - 6.1.3.2. Financial records;
 - 6.1.3.3. Scheduled access to Contractor work sites/locations/work spaces and associated facilities;
 - 6.1.3.4. Unannounced access to Contractor work sites/locations/work spaces and associated facilities;
 - 6.1.3.5. Scheduled phone access to Contractor principals and staff.

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Exhibit B

Method and Conditions Precedent to Payment

1. Price Limitation. This Agreement is one of multiple Agreements that will serve the Senior Oral Health Program. No maximum or minimum client and service volume is guaranteed. Accordingly, the price limitation among all Agreements is identified in Block 1.8 of the P-37 for the duration of the Agreement.
2. Subject to the Contractor's compliance with the terms and conditions of the Agreement, the Department shall reimburse the Contractor for actual dental service(s) provided by the contractor to eligible individuals, resulting from referrals made by the Department and in accordance with Exhibit A, Scope of Services.
3. Reimbursement shall be based on the Senior Oral Health Program, Dental Fee Schedule, identified in Exhibit B-1.
4. Reimbursement Limits per Patient. Reimbursement is limited to \$2,000 per patient for during the Agreement period, depending on the availability of funding. Any additional treatment that exceeds the limit per patient shall be at the sole expense of the participating dental practice or clinic.
5. Contract dentists shall complete and submit Dental Claim Forms provided by the Bureau of Elderly and Adult Services for each client, due within 15 days from the date of treatment.
Dental Claim forms shall be sent to:
Bureau of Elderly and Adult Services
Administrator, Community Programs and Long-Term Care
129 Pleasant Street
Concord, NH 03301
6. Notwithstanding anything to the contrary herein, the Contractor agrees that payment under this Agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State Law, rule or regulation applicable to the services provided, or if the said services have not been satisfactory completed in accordance with the terms and condition of this Agreement.
7. The funding source for this Agreement for Dental Services is 100% federal funds from the Administration for Community Living, Title III, Part D, Disease Prevention and Health Promotion Services, CFDA 93.043. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.
8. The contractor shall have or secure a vendor number with the State of New Hampshire to receive payment from the DHHS.
9. The Contractor shall comply with the necessary steps established by the Department for making payments to vendors using Electronic Funds Transfer (EFT). Exceptions to using EFT for payment shall be made upon prior approval of the BEAS Financial Manager or designee.



Exhibit B-1

**NH Bureau of Elderly and Adult Services, Older Adult Oral Health Program (ages 60+)
Dental Fee Schedule as of February 2015**

Code	Procedure	Fee
D0120	Periodic oral evaluation	41.00
D0140	Limited oral evaluation	60.00
D0210	Intraoral-complete series	96.00
D0220	Intraoral-Periapical 1st film	15.00
D0230	Intraoral-Periapical each additional	10.00
D0270	Bitewings - Xray	17.00
D0272	Bitewings - two films	25.00
D0274	Bitewings - four films	45.00
D0330	Panoramic film	83.00
D2140	Amalgam - 1 surface	150.00
D2150	Amalgam - 2 surface	155.00
D2160	Amalgam - 3 surface	180.00
D2161	Amalgam - 4/4+ surface	200.00
D2330	Resin-1 surface anterior	131.00
D2331	Resin-2 surface anterior	143.00
D2332	Resin-3 surface anterior	147.00
D2335	Resin-4/4+ surface anterior	165.00
D2391	Resin-1 surface posterior	150.00
D2392	Resin-2 surface posterior	155.00
D2393	Resin-3 surface posterior	180.00
D2394	Resin-4/4+ surface posterior	200.00
D4341	Scaling and root planing (per quadrant)	100.00
D4355	Full mouth debridement	90.00
D5110	Complete denture-maxillary	800.00
D5120	Complete denture-mandibular	800.00
D5130	Immediate denture-maxillary	875.00
D5140	Immediate denture-mandibular	875.00
D5211	Maxillary partial-resin base	600.00
D5212	Maxillary partial-resin base	600.00
D5410	Adjust complete denture, maxillary	50.00
D5411	Adjust complete denture, mandibular	50.00
D5421	Adjust partial denture, maxillary	50.00
D5422	Adjust partial denture, mandibular	50.00
D5520	Replace denture teeth	127.00
D5750	Reline complete maxillary denture	244.00
D5751	Reline complete mandibular denture	244.00
D7140	Extraction-erupted/exposed	150.00
D7210	Extraction-surgical-imp bony	225.00
D7240	Removal of Impacted Tooth Tissue	225.00
D7310	Alveoloplasty - per quadrant	275.00
D7472	Removal of torus palatinus Mandibular 2 quadrants	400.00
D5760	Reline maxillary partial denture	99.00
D5761	Reline mandibular partial denture	99.00

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SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

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- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
- 8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
- 8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
- 9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services:** Disallowance of Costs: Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
 - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF
WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.

When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:

- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 19.3. Monitor the subcontractor's performance on an ongoing basis

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- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

FINANCIAL MANAGEMENT GUIDELINES: Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

CONTRACTOR MANUAL: Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act. NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.

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REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 4. **CONDITIONAL NATURE OF AGREEMENT.**
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.
2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;
 - 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
3. The Department reserves the right to renew the Contract for up to two additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council.

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CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

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- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

Contractor Name: Mid-State Health Center

7-29-15
Date

Sharon Beatty
Name: Sharon Beatty
Title: CEO

Contractor Initials SB
Date 7-29-15



CERTIFICATION REGARDING LOBBYING

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Contractor Name: Mid-State Health Center

7-21-15
Date

Sharon Beatty
Name: Sharon Beatty
Title: CEV



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

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information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (I)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name:

July 29, 2015
Date

Sharon Beatty
Name: Sharon Beatty
Title: Chief Executive Officer

Contractor Initials SB
Date 7-29-15



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Contractor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Contractor Initials

SB

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations
and Whistleblower protections

Date

7-21-15

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Contractor agrees to comply with the provisions indicated above.

July 29, 2015
Date

Contractor Name:

Sharon Beatty
Name: Sharon Beatty
Title: Chief Executive Officer

Exhibit G

Contractor Initials SB

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Date 7-29-15



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Contractor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Contractor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Contractor Name:

July 29, 2015
Date

Sharon Beatty
Name: Sharon Beatty
Title: Chief Executive Officer



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

SB

7-29-15



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) **Business Associate Use and Disclosure of Protected Health Information.**

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
 - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI

SP

7-21-15



Exhibit I

- pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.
- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
 - g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
 - h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
 - i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
 - j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
 - k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
 - l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

3/2014

Contractor Initials

Date

[Handwritten Signature]
[Handwritten Signature]



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) **Obligations of Covered Entity**

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) **Termination for Cause**

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) **Miscellaneous**

- a. **Definitions and Regulatory References.** All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. **Amendment.** Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. **Data Ownership.** The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. **Interpretation.** The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

SB

7-24-15



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health & Human Services
The State

Diane Langley
Signature of Authorized Representative

Diane Langley
Name of Authorized Representative

Director
Title of Authorized Representative

8/11/15
Date

Mid-State Health Center
Name of the Contractor

Sharon Beaty
Signature of Authorized Representative

Sharon Beaty
Name of Authorized Representative

Chief Executive Officer
Title of Authorized Representative

July 29, 2015
Date



**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY
ACT (FFATA) COMPLIANCE**

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: Mid-State Health Center

7-29-2015
Date

Sharon Beady
Name: Sharon Beady / Mid-State Health Center
Title: CEO

New Hampshire Department of Health and Human Services
Exhibit J



FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 109385625
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

☒ NO ☐ YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

☐ NO ☐ YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

Contractor Initials EB
Date 7/21/11

**New Hampshire Department of Health and Human Services
Senior Oral Health Program**



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Senior Oral Health Program Contract**

This 1st Amendment to the Senior Oral Health Program contract (hereinafter referred to as "Amendment #1") dated June 21, 2016, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Tri-County Community Action Program, Inc. (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 30 Exchange Street, Berlin, NH 03570.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on September 16, 2015, Item #16, the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to the General Provisions, Paragraph 18 of the Form P-37 and Exhibit C-1 Paragraph 4, the Department reserves the right to renew the contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council;

WHEREAS, the Department and the Contractor agree to extend the completion date by an additional two (2) years and to increase the price limitation;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree as follows:

1. Amend General Provisions (Form P-37), Block 1.7, Completion Date, by extending the date to September 30, 2018.
2. Amend General Provisions (Form P-37), Block 1.8, Price Limitation, to read: \$83,658.00.

New Hampshire Department of Health and Human Services
Senior Oral Health Program



This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

7/22/16
Date

Maureen Ryan
NAME Maureen Ryan
TITLE Director, Office of Human Services

Tri-County Community Action Program, Inc.

07/06/16
Date

Robert G. Boschen, Jr.
NAME Robert G. Boschen, Jr.
TITLE Chief Executive Officer

Acknowledgement:

State of New Hampshire, County of Coos on 7-6-2016, before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Suzanne C. French
Name and Title of Notary or Justice of the Peace
Suzanne C. French, Notary

SUZANNE C. FRENCH
Notary Public - New Hampshire
My Commission Expires June 19, 2018

**New Hampshire Department of Health and Human Services
Senior Oral Health Program**



The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

Date 6/4/16

Name: Michael A. S. [Signature]
Title: Attorney General

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date _____

Name: _____
Title: _____

State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. (TRI-COUNTY CAP) is a New Hampshire nonprofit corporation formed May 18, 1965. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 7th day of April A.D. 2016

A handwritten signature in cursive script, reading "William M. Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Gary Coulombe, do hereby certify that:

(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Tri-County Community Action Program, Inc.

(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of

the Agency duly held on 2-23-2016:

(Date)

RESOLVED: That the Robert G. Boschen, Jr.

(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of

the 6th day of July, 2016.

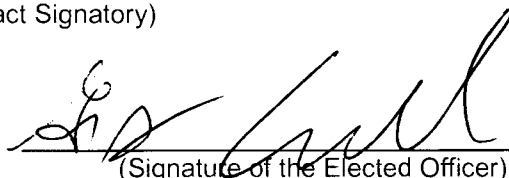
(Date Contract Signed)

4. Robert G. Boschen Jr. is the duly elected Chief Executive Officer

(Name of Contract Signatory)

(Title of Contract Signatory)

of the Agency.



(Signature of the Elected Officer)

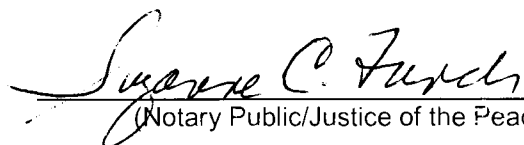
STATE OF NEW HAMPSHIRE

County of Coos

The forgoing instrument was acknowledged before me this 6th day of July, 2016,

By Gary Coulombe.

(Name of Elected Officer of the Agency)



(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: 6-19-18

SUZANNE C. FRENCH
Notary Public - New Hampshire
My Commission Expires June 19, 2018



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
7/7/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER FIAI/Cross Insurance 1100 Elm Street Manchester NH 03101 INSURED Tri-County Community Action Program, Inc 30 Exchange Street Berlin NH 03570		CONTACT NAME: Karen Shaughnessy PHONE (A/C, No, Ext): (603) 669-3218 FAX (A/C, No): (603) 645-4331 E-MAIL ADDRESS: kshaughnessy@crossagency.com INSURER(S) AFFORDING COVERAGE INSURER A: Philadelphia Ins Co INSURER B: AmGuard Ins Co 42390 INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER:** CL167778313 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL/SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER POLICY PRO-JECT X LOC OTHER		PHPK1521023	7/1/2016	7/1/2017	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000 Professional Liability \$ 1,000,000
A	X AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS NON-OWNED AUTOS HIRE AUTOS		PHPK1521031	7/1/2016	7/1/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Underinsured motorist \$ 1,000,000
A	UMBRELLA LIAB OCCUR X EXCESS LIAB CLAIMS-MADE DED X RETENTION \$ 10,000		PHUB548500	7/1/2016	7/1/2017	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/EMERGENCY EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A	All Officers Included TRWC783275	7/1/2016	7/1/2017	PER STATUTE OTHER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
A	Professional Liability		PHPK1521023	7/1/2016	7/1/2017	Per Occurrence \$1,000,000 Aggregate \$3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Refer to policy for exclusionary endorsements and special provisions.

CERTIFICATE HOLDER

State of New Hampshire
Dept of Health & Human Services
129 Pleasant Street
Concord, NH 03301

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Karen Shaughnessy/KS5

Karen Shaughnessy

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MISSION STATEMENT

Tri-County CAP is a group of people and projects dedicated to improving the lives and well-being of New Hampshire's people and communities.

We provide opportunities and support for people to learn and grow in self-sufficiency, and to get involved in helping their neighbors and improving the conditions in their communities.

***Tri-County Community Action Programs...
Helping people, changing lives.***

TRI-COUNTY COMMUNITY ACTION PROGRAM, Inc. Is a private, non-profit 501(C) 3 corporation that is dedicated to improving the lives and well being of New Hampshire's people and communities. Formed on May 18, 1965, we provide opportunities and support for people to learn and grow in self-sufficiency and get involved in helping their neighbors and improving the conditions in their communities.

***TRI-COUNTY COMMUNITY ACTION PROGRAM, Inc.
...Helping people, changing lives.***

Financial Statements

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.
AND AFFILIATE**

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30 2015
AND
INDEPENDENT AUDITORS' REPORT**

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

CONSOLIDATED FINANCIAL STATEMENTS

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To the Board of Directors of
Tri-County Community Action Program, Inc.
Berlin, New Hampshire

**Leone,
McDonnell
& Roberts**
PROFESSIONAL ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS
WOLFEBORO • NORTH CONWAY
DOVER • CONCORD
STRATHAM

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Tri-County Community Action Program, Inc. and affiliate (a New Hampshire nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2015, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Tri-County Community Action Program, Inc. as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2015, on our consideration of Tri-County Community Action Program, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tri-County Community Action Program, Inc.'s internal control over financial reporting and compliance.

Leone, McDermott & Roberts
Professional Association

December 10, 2015
North Conway, New Hampshire

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2015**

ASSETS

CURRENT ASSETS

Cash	\$ 488,950
Accounts receivable	1,014,274
Pledges receivable	247,754
Inventories	116,150
Prepaid expenses	<u>30,678</u>
Total current assets	<u>1,897,806</u>

PROPERTY

Property, plant, and equipment	13,468,105
Less accumulated depreciation	<u>(4,588,525)</u>
Property, net	<u>8,879,580</u>

OTHER ASSETS

Restricted cash	540,395
Building refinance costs, net	<u>15,365</u>
Total other assets	<u>555,760</u>

TOTAL ASSETS \$ 11,333,146

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Demand note payable	\$ 700,252
Current portion of long term debt	271,685
Accounts payable	671,782
Accrued compensated absences	332,024
Accrued salaries	134,822
Accrued expenses	107,474
Refundable advances	191,343
Other liabilities	<u>280,474</u>
Total current liabilities	<u>2,689,856</u>

LONG TERM DEBT

Long term debt, net of current portion	5,938,456
Interest rate swap at fair value	<u>7,385</u>
Total liabilities	<u>8,635,697</u>

NET ASSETS

Unrestricted	1,951,539
Temporarily restricted	<u>745,910</u>
Total net assets	<u>2,697,449</u>

TOTAL LIABILITIES AND NET ASSETS \$ 11,333,146

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

**CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES AND OTHER SUPPORT			
Grant and contracts	\$ 13,563,675	\$ 267,197	\$ 13,830,872
Program funding	1,600,750	102,424	1,703,174
Utility programs	916,957	-	916,957
In-kind contributions	252,489	-	252,489
Contributions	116,342	20,841	137,183
Fundraising	43,415	-	43,415
Rental income	824,332	-	824,332
Interest income	485	-	485
Gain on disposal	16,560	-	16,560
Other revenue	91,349	-	91,349
Total revenues and other support	17,426,354	390,462	17,816,816
NET ASSETS RELEASED FROM RESTRICTIONS	307,765	(307,765)	-
Total revenues, other support, and net assets released from restrictions	17,734,119	82,697	17,816,816
FUNCTIONAL EXPENSES			
Program Services:			
Agency Fund	883,748	-	883,748
Head Start	2,289,054	-	2,289,054
Guardianship	767,955	-	767,955
Transportation	985,004	-	985,004
Volunteer	87,521	-	87,521
Workforce Development	449,251	-	449,251
Alcohol and Other Drugs	989,422	-	989,422
Carroll County Dental	496,634	-	496,634
Carroll County Restorative Justice	95,727	-	95,727
Support Center	249,099	-	249,099
Homeless	442,493	-	442,493
Energy and Community Development	7,433,283	-	7,433,283
Elder	1,088,328	-	1,088,328
Housing Services	172,157	-	172,157
Total program services	16,429,676	-	16,429,676
Supporting Activities:			
General and administrative	1,154,866	-	1,154,866
Fundraising	4,498	-	4,498
Total supporting activities	1,159,364	-	1,159,364
Total functional expenses	17,589,040	-	17,589,040
CHANGES IN NET ASSETS FROM OPERATIONS	145,079	82,697	227,776
OTHER INCOME			
Gain on interest rate swap	42,327	-	42,327
TOTAL CHANGES IN NET ASSETS	187,406	82,697	270,103
NET ASSETS, BEGINNING OF YEAR	1,764,133	663,213	2,427,346
NET ASSETS, END OF YEAR	\$ 1,951,539	\$ 745,910	\$ 2,697,449

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 270,103
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	483,149
Gain on disposal of property	(16,560)
Gain on interest rate swap	(42,327)
Decrease (increase) in assets:	
Restricted cash	225,470
Accounts receivable	(180,597)
Pledges receivable	(247,754)
Inventories	(50,111)
Prepaid expenses	(3,392)
Other assets	818
Increase (decrease) in liabilities:	
Accounts payable	16,947
Accrued compensated absences	54,245
Accrued salaries	23,336
Accrued expenses	(8,588)
Refundable advances	(33,228)
Other liabilities	(125,119)

NET CASH PROVIDED BY OPERATING ACTIVITIES

366,392

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from disposal of property	57,159
Purchase of property and equipment	(286,141)

NET CASH USED IN INVESTING ACTIVITIES

(228,982)

CASH FLOWS FROM FINANCING ACTIVITIES

Net advance of demand note payable	199,201
Proceeds from long-term debt	13,089
Repayment of long-term debt	(239,753)

NET CASH USED IN FINANCING ACTIVITIES

(27,463)

NET INCREASE IN CASH AND CASH EQUIVALENTS

109,947

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR

379,003

CASH AND CASH EQUIVALENTS, END OF YEAR

\$ 488,950

**SUPPLEMENTAL DISCLOSURE OF CASH FLOW
INFORMATION:**

Cash paid during the year for:

Interest

\$ 233,577

See Notes to Consolidated Financial Statements

WILSON COUNTY ACTION PROGRAM, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDING JUNE 30, 2011

Direct Expenses	Agency Fund	Heat Plant	Operating Fund	Unassigned Fund	Veracruz	Veracruz Development	Alcohol and Other Drugs	Chapel County	Support	Hunting	Energy and Development	Elmer	Housing	General & Administration	Tuition	Total
Payroll	71,012	1,082,872	504,094	464,446	80,450	240,810	577,958	284,190	150,077	258,384	1,146,181	444,838	17,214	5,386,499	634,111	9,014,882
Travel and benefits	15,844	288,320	127,256	78,720	13,750	84,708	955,137	59,420	54,134	12,230	1,068,645	101,355	17,214	1,242,134	152,284	2,581,344
Travel expenses	12,558	24,326	4,728	17,420	-	7,481	19,349	14,885	3,000	12,856	14,927	48,600	30	176,198	30,000	205,719
Commodities and materials	1,149	24,328	9,946	5,397	1,568	245	4,720	6,454	846	26,038	38,143	6,037	30	98,084	98,084	188,291
Supplies and materials	14,222	177,877	30,269	13,362	5,271	90,972	19,287	6,454	4,922	26,038	184,982	89,399	1,274	647,650	177,480	824,900
Program expenses	4,846	286,438	116,810	18,669	1,075	4,916	72,317	21,479	5,200	5,200	24,729	287,854	1,274	1,053,514	16,118	1,069,632
Program expenses	18,200	30,880	10,710	1,562	-	81	10,820	1,107	8,542	3,284	1,908	12,228	27,642	103,324	15	162,167
Building and ground maintenance	173,573	22,054	16,079	19,251	742	7,560	48,544	8,796	20,832	20,746	28,176	21,587	26,813	478,744	8,532	608,307
Utilities	2,384	59,230	28,418	38,723	1,071	14,182	12,687	1,241	5,537	14,871	13,582	1,520	1,794	1,200	13,751	1,600
Travel and meeting	114,605	26,347	1,107	55,124	187	2,489	2,286	2,286	6,433	9,115	41,893	-	15,941	208,798	4,318	208,894
Internal program	183,045	48	-	433	29	-	8,883	40,686	2	1,128	6,204	24	-	238,573	2,723	241,246
Other direct program costs	13,721	13,982	12,118	8,123	289	-	12,014	1,316	70	3,326	(19,580)	5,758	14,009	54,841	8,818	78,088
Depreciation and amortization expense	181,049	14,289	4,658	110,839	-	-	23,339	43,616	10,025	1,752	10,277	8,840	67,266	833,148	-	900,488
In-kind expenses	775,812	-	-	-	-	-	-	-	-	-	-	27,425	-	275,425	-	252,448
Total Direct Expenses	803,748	2,289,054	707,505	970,004	87,321	449,231	386,422	498,634	208,099	462,413	7,453,383	1,086,328	172,157	16,432,816	1,154,866	17,586,040
Indirect Expenses	48,622	238,431	89,497	96,841	9,829	47,246	111,258	52,143	28,551	47,309	233,507	172,691	-	1,154,866	-	1,154,866
Indirect costs	958,370	2,527,515	803,382	1,066,845	97,450	496,477	1,105,680	549,777	277,650	469,722	7,686,890	1,259,019	172,157	17,586,242	-	17,586,040
Total Direct & Indirect Expenses	852,368	2,765,969	796,887	1,063,845	97,450	496,477	1,105,680	549,777	277,650	469,722	7,686,890	1,259,019	172,157	17,586,242	-	17,586,040

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Principles of Consolidation

The financial statements include the accounts of Tri-County Community Action Program, Inc. and its affiliate, Cornerstone Housing North, Inc. The two organizations are consolidated because Tri-County Community Action Program, Inc. controls 100% of the voting power of Cornerstone Housing North, Inc. All significant intercompany items and transactions have been eliminated from the basic financial statements. Tri-County Community Action Program, Inc. (the Organization) is a New Hampshire non-profit corporation that operates a wide variety of community service programs which are funded primarily through grants or contracts from various federal, state, and local agencies. Cornerstone Housing North, Inc. (a New Hampshire nonprofit corporation) was incorporated under the laws of the State of New Hampshire for the acquisition, construction and operation of community based housing for the Elderly.

Nature of activities

The Organization's programs consist of the following:

Agency

Tri-County CAP Administration provides central program management support and oversight to our many individual programs. This includes planning and budget development, bookkeeping and accounting, payroll and HR services, legal and audit services, IT support, management support, financial support and central policy development.

Tri-County CAP Administration is the liaison between Tri-County Community Action Program, Inc., Board of Directors and its programs, ensuring that programs comply with agreements made by the Board to funding sources and vendors.

Other responsibilities include the management and allocation of funding received through a Community Services Block Grant, as well as management of the Organization's real estate property.

Head Start

Head Start serves hundreds of children and their families in multiple classrooms and locations throughout three counties. Research demonstrates that children who are healthy learn better. Due to this fact, parents in our program receive assistance in completing medical and dental exams for their children. To further assist in breaking the cycle of poverty, each family enrolled in Head Start receives assistance in completing a family needs assessment, and subsequent support in achieving their self-sufficiency and personal improvement goals.

Guardianship

The Organization's Guardianship program provides advocacy and guardian services for the vulnerable population of New Hampshire residents (developmentally disabled, chronically mentally ill, traumatic brain injury, and the elderly suffering from Alzheimer's, dementia, and multiple medical issues) who need a guardian and who have no family member or friend willing, able, or suitable to serve in that capacity.

Transportation

The Organization's transit program provides various transportation services: public bus routes, door-to-door service by request, long distance medical travel to medical facilities outside our regular service area, and special trips for the elderly to go shopping and enjoy other activities that are located outside the regular service area. The Organization's fleet of 18 wheelchair accessible vehicles offers transportation options to the elderly and disabled, as well as to the general public.

Volunteer

Coos County Retired & Senior Volunteers Program (RSVP) maintains a minimum corps of 330 volunteers, ages 55 and older. These volunteers share their skills, life experiences, and time with over 50 local non-profit and public agencies throughout Coos County that depend on volunteer assistance to meet the needs of their constituents. Our volunteers donate over 50,000 hours yearly.

Workforce Development

The Organization is assisting transitional and displaced workers as they prepare for new jobs, and also assisting currently-employed workers to gain the skills required for better jobs.

The Organization is helping to implement New Hampshire's Unified State Plan for Workforce Development, in line with the federal Workforce Investment Act. Workforce training programs, with training facilities in three towns, provide temporary assistance for needy family (TANF) recipients with 20-30 hours per week of training in the areas of employment skills, computer skills, and business experience, and also place participating TANF recipients in community-based work experience sites.

Alcohol & Other Drugs (AOD)

Services provided through the AOD program include assisting the alcoholic/addicted person on the road to recovery, through three phases: Crisis Intervention, Sobriety Maintenance, and Assessment and Referral to appropriate treatment facilities. The Residential Treatment Programs (Friendship House) provide chemically dependent individuals with the fundamental tools of recovery, including educational classes, group and individual counseling, work and recreational therapy, and attendance at in-house and community-based alcoholics anonymous and narcotics anonymous meetings. The AOD program also offers assistance with its impaired driver programs.

The Friendship House, in December of 2014, had approximately \$130,000 worth of investments and improvements due to assistance from Public Services of New Hampshire.

Carroll County Dental

The Tamworth Dental Center (the Center) offers high quality oral health care to children with NH Medicaid coverage. The Organization also serves uninsured and underinsured children and adults using a sliding fee scale that offers income-based discounts for care. The Center accepts most common dental insurances for those who have commercial dental insurance coverage. A school-based project of the Dental Center, School Smiles, offers oral health education, screening, treatment and referrals for treatment to over 1,000 children in 9 schools in the vicinity of the Center.

Carroll County Restorative Justice

The Organization's restorative justice program provides comprehensive alternatives to traditional court sentencing and dispute resolution within the framework of Balanced and Restorative Justice. Two key components of this process are personal accountability for one's actions (diversion) and alternative conflict resolution (mediation). Services are provided by in-house staff, volunteers, and partnered relations with other local service providers. Subsequent to year end, the Division was suspended.

Support Center

The Organization's Support Center at Burch House provides direct service and shelter to victims and survivors of domestic and sexual violence and stalking in Northern Grafton County. Support Center services are accessible 24 hours a day, 365 days a year. They include: crisis intervention; supportive counseling; court, hospital and policy advocacy and accompaniment; emergency shelter; support groups; community education and outreach; violence prevention programs for students; information, referrals and assistance accessing other community resources.

Homeless

Homeless services include an outreach intervention and prevention project that strives to prevent individuals and families from becoming homeless, and assists the already homeless in securing safe, affordable housing. The Organization provides temporary shelter space for homeless clients. The Organization also provides some housing rehabilitation services to help preserve older housing stock.

Energy and Development, and Community Contact

Energy programs provide fuel assistance, electric assistance, utility conservation, and weatherization measures including insulation, air-sealing, energy efficient lighting and refrigerators, hot water conservation measures, minor home repairs, and replacement windows and doors.

Community Contact sites allow local participants access to energy assistance programs and other emergency services. The offices provide information to the Organizations' clients about their other programs, as well as other programs available through other organizations in the community. The Organization consolidated its eight Community contact Offices to one office per county, located in Berlin (Coos), Ashland (Grafton) and Tamworth (Carroll). Clients may submit applications for assistance via e-mail, mail, phone, fax, or face-to-face intake appointments at one of the three offices. Community Contact has schedule site outreach in Lancaster, Lebanon, Woodsville and Colebrook; a schedule is published in the local papers listing the days and locations on a monthly basis. The Carroll County's office has been successful serving the needs of clients with this model for over ten years.

Elder

The Organization's Elder program provides senior meals in 15 community dining sites, home-delivered meals (Meals on Wheels) to the frail and homebound elderly, and senior nutrition education and related programming. The Coos County ServiceLink Aging & Disability Resource Center assists with Medicare counseling, Medicaid assistance, long-term care counseling services, and caregiver supports.

Housing Services

Cornerstone Housing North, Inc. is subject to a Project Rental Assistance Contract (PRAC) with the United States Department of Housing and Urban Development, and a significant portion of their rental income is received from the Department of Housing and Urban Development. The Organization includes a 12 unit apartment complex in Berlin, New Hampshire for the elderly. This operates under Section 202 of the National Housing Act and is regulated by the U.S. Department of Housing and Urban Development (HUD) with respect to the rental charges and operating methods. For Cornerstone Housing North, Inc., the rental income is part of the same program as the Section 202 Capital Advance and is considered a major program.

Method of accounting

The financial statements of Tri-County Community Action Program, Inc. have been prepared utilizing the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as promulgated by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under this basis, revenue, other than contributions, and expenses are reported when incurred without regard to the date of receipt or payment of cash.

Basis of presentation

Financial statement presentation follows the recommendations of the FASB in its Accounting Standard Codification No. 958 *Financial Statements of Not-For-Profit Organizations*. Under FASB ASC No. 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

The Organization had no permanently restricted net assets at June 30, 2015. The Organization had temporarily restricted net assets of \$745,910 at June 30, 2015.

Restricted and unrestricted support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction.

When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Unrestricted net assets include revenues and expenses and contributions which are not subject to any donor imposed restrictions. Unrestricted net assets can be board designated by the Board of Directors for special projects and expenditures.

Temporarily restricted net assets include contributions for which time restrictions or donor-imposed restrictions have not yet been met. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

Permanently restricted net assets include gifts which require, by donor restriction, that the corpus be invested in perpetuity and only the income or a portion thereof (excluding capital gains restricted by State statute) be made available for program operations in accordance with donor restrictions. The Organization had no permanently restricted net assets at June 30, 2015.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction between market participants at the measurement date. The accounting standards for fair values establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Organization. Unobservable inputs are inputs that reflect the Organization's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The hierarchy is classified into three levels based on the reliability of inputs as follows:

Level 1: Valuations based on quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Level 2: Valuation is determined from quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in markets that are not active or by model-based techniques in which all significant inputs are observable in the market.

Level 3: Valuations based on inputs that are unobservable and significant to the overall fair value measurement. The degree of judgment exercised in determining fair value is greatest for instruments categorized as Level 3.

The availability of observable inputs can vary and is affected by a wide variety of factors, including, the type of asset/liability, whether the asset/liability is established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, assumptions are required to reflect those that market participants would use in pricing the asset or liability at the measurement date.

As disclosed in **Note 6**, the note payable which bears monthly interest of 69% of the sum of the one month London Interbank Offered Rate (LIBOR) plus 3.25%, when the Organization's debt service coverage ratio is 1.10; or 3.00% when the Organization's debt service coverage ratio is 1.20 includes an interest rate swap agreement. The Organization's purpose in entering into a swap arrangement was to hedge against the risk of interest rate increases on the related variable rate debt and not to hold the instrument for trading purposes. The Organization pays interest at a fixed 3.85%. The arrangement is scheduled to expire on August 2040. The notional amount of the contract was \$3,145,412. Accordingly, the swap arrangement, which is a derivative financial instrument, is classified as a cash flow hedge and is valued at the net present value (NPV) of all estimated future cash flows.

For the year ended June 30, 2015, the fair value of the interest rate swap was \$7,385 and the unrealized gain was \$42,327. The fair value of the swap is included on the balance sheet as a long term liability. No amounts have been reclassified as interest expense and based upon the Organization's intent to hold the derivative until expiration they do not expect to reclassify any unrealized gains or losses to interest expense.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Most of the receivables are amounts due from federal and state awarding agencies and are based upon reimbursement for expenditures made under specific grants or contracts. A portion of the accounts receivable balance represents amounts due from patients at Carroll County Dental and participants in the alcohol and other drug treatment programs. Past due receivables are written off at management's discretion using the direct write off method; this is not considered a departure from accounting principles generally accepted in the United State because the effects of the direct write method approximate those of the allowance method. Management selects accounts to be written off after analyzing past payment history, the age of the accounts receivable, and collection rates for receivables with similar characteristics, such as length of time outstanding. The Organization does not charge interest on outstanding accounts receivable.

Property and Depreciation

Acquisitions of buildings, equipment, and improvements in excess of \$5,000 and all expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized. Buildings, equipment, and improvements are stated at cost less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets. Depreciation expense related to assets used solely by an individual program is charged directly to the related program. Depreciation expense for assets used by more than one program is charged to the program based upon a square footage or other similar allocation. Depreciation expense related to administrative assets is included in the indirect cost pool and charged to the programs in accordance with the indirect cost plan. Maintenance and repairs are charged to expense as incurred.

Estimated useful lives are as follows:

Buildings and Improvements	20 to 40 years
Vehicles	5 to 8.5 years
Furniture and Equipment	5 to 15 years

Client Rents and HUD Rent Subsidy

Cornerstone Housing North, Inc.'s rents are approved on an annual basis by the Department of Housing and Urban Development. Rental increases are prohibited without such approval. The clients are charged rent equal to 30% of their income less adjustments allowed by the Department of Housing and Urban Development. Rent subsidies are received from the Department of Housing and Urban Development for the difference between the allowed rents and the amounts received from the clients.

Refundable Advances

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services or expenditures are performed or incurred. Funds received in advance of grantor conditions being met aggregated \$191,343 as of June 30, 2015.

Nonprofit tax status

The Organization is a *not-for-profit* Section 501(c)(3) organization of the Internal Revenue Code. It has been classified as an Organization that is not a private foundation under the Internal Revenue Code and qualifies for a charitable contribution deduction for individual donors. The Organization files information returns in the United States. The Organization is no longer subject to examinations by tax authorities for years prior to 2011.

The Organization follows FASB ASC, *Accounting for Uncertainty in Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. The Organization does not believe they have taken uncertain tax positions, therefore, a liability for income taxes associated with uncertain tax positions has not been recognized.

The Organization's Federal Form 990 (Return of Organization Exempt from Income Tax), is subject to examination by the IRS, generally for three years after it is filed.

Cornerstone Housing North, Inc. is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined the Organization to be other than a private foundation within the meaning of Section 509(a).

Retirement plan

The Organization maintains a tax sheltered annuity plan under the provisions of Section 403(b) of the Internal Revenue Code. All employees are eligible to contribute to the plan beginning on the date they are employed. Each employee may elect salary reduction agreement contributions in accordance with limits allowed in the Internal Revenue Code. Employer contributions are at the Organization's annual discretion. In January 2013, payments had ceased, therefore as of June 30, 2015, there were no discretionary contributions recorded. Further information can be obtained from the Organization's 403(b) audited financial statements.

Donated services and goods

Contributed noncash assets are recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of noncash assets are recorded as unrestricted support.

Donated property and equipment

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Promises to Give

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at the net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in the contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

As of June 30, 2015, there were promises to give that were absent of donor stipulations and therefore classified as temporarily restricted in the amount of \$247,754. This amount was included in the grants and contracts on the Consolidated Statement of Activities.

Use of estimates

The presentation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Fair Value of Financial Instruments

Accounting Standards Codification No. 825 (ASC 825), *Disclosures of Fair Value of Financial Instruments*, requires the Organization to disclose fair values of its financial instruments. The carrying amount of the Organization's financial instruments which consists of cash, accounts receivable, deposits and accounts payable, approximate fair value because of the short term maturity of those instruments.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

Program salaries and related expenses are allocated to the various program and supporting services based on actual or estimated time employees spend on each function as reported on a timesheet.

Workers Compensation expenses are charged to each program based upon the classification of the each employee and allocated to the various program based upon the time employees spend on each function as noted above.

Paid Leave is charged to a leave pool and is allocated to each program as a percentage of total salaries.

Fringe Benefits are charged to a Fringe Benefit Pool. These expenses include employer payroll taxes, pension expenses, health and dental insurance and unemployment compensation. The pool is allocated to each program based upon a percentage of salaries.

Depreciation expense is allocated to each program based upon specific assets used by the program and is reported as depreciation expense on the supplemental statements of functional expenses.

Other Occupancy expense: expenses are applicable to assets which are used by multiple programs, primarily buildings are charged to the benefiting program based upon an analysis of square footage. Costs related to a building include depreciation, insurance, utilities, building maintenance, etc. These costs are reported as space costs on the supplemental statements of functional expenses.

Insurance: automobile insurance is allocated to programs based on vehicle usage; building liability insurance is allocated to programs based on square footage of the buildings; and insurance for furniture and equipment is allocated to programs using the book basis of the insured assets.

The remaining shared expenses are charged to an Indirect Cost Pool and are allocated to each program based upon a percentage of program expenses. The expenses include items such as administrative salaries, general liability insurance, administrative travel, professional fees and other expenses which cannot be specifically identified and charged to a program.

The Organization submits an indirect cost rate proposal for the paid leave, fringe benefits and other indirect costs to the U.S. Department of Health and Human Services. The proposal effective for the fiscal year beginning July 1, 2013 received provisional approval and is effective until amended at a rate of 12.3%. Per an email with a representative from the U.S. Department of Health and Human Services, the Agency reduced the rate to 12.2% for the year ended June 30, 2015.

Advertising policy

The Organization uses advertising to inform the community about the programs it offers and the availability of services. Advertising is expensed as incurred. The total cost of advertising for the year ended June 30, 2015 was \$18,009.

NOTE 2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand, funds on deposit with financial institutions, and investments with original maturities of three months or less. At year end and throughout the year, the Organization's cash balances were deposited with multiple financial institutions. At June 30, 2015, the balances on interest and non-interest bearing accounts were insured by the FDIC up to \$250,000. At June 30, 2015, there was approximately \$395,443 of deposits held in excess of the FDIC limit. Management believes the Organization is not exposed to any significant credit risk on cash and cash equivalents and considers this a normal business risk.

Cash Restrictions

The Organization is required to maintain a deposit account with a bank as part of the loan security agreement disclosed at **Note 6**. The required balance in the account is \$52,497 and is restricted from withdrawal except to make payments of debt service or as approved by the US Department of Agriculture. Amounts withdrawn to make payments of debt service must be replenished with monthly deposits until the maximum required deposit balance is achieved. The balance as of June 30, 2015 was \$11,135. The Organization was not in compliance with this requirement however, in May 2013, the client began making the required monthly deposits. The Organization has made all of their scheduled deposits for the year ended June 30, 2015. This amount is included in restricted cash on the Statement of Financial Position.

The Organization is required to maintain a deposit account with another bank as part of a bond issue (see bond payable in **Note 6**). The required balance in the account is \$186,516 and is equal to the interest payments on the bond for a 12 month period. The balance as of June 30, 2015 was \$186,721, and the Organization was in compliance with this requirement. This amount is included in restricted cash on the Statement of Financial Position.

The Organization maintains a deposit account on behalf of clients who participate in the Guardianship Services Program. The balance in the account is restricted for use on behalf of these clients and an offsetting liability is reported on the financial statements as other current liabilities. The total current liability related to this withdrawal at June 30, 2015 was \$276,791. These amounts are included in other liabilities on the Statement of Financial Position. The total restricted cash within this account at June 30, 2015 was \$271,547, and is included in the restricted cash balance on the Statement of Financial Position. The Organization was assessed a fee of \$5,244 related to the unauthorized use of these funds in prior years. This amount was still outstanding at June 30, 2015 as no official notice or request for payment had been received by the Organization.

All cash related to Cornerstone Housing North, Inc. is restricted for certain uses in the Organization under rules and regulations prescribed by the Department of Housing and Urban Development. The total amount restricted at June 30, 2015 was \$70,992.

NOTE 3. INVENTORY

In 2015, inventory included weatherization materials which have been purchased in bulk. These items are valued at the most recent cost. A physical inventory is taken annually. Cost is determined using the first-in, first-out (FIFO) method. Inventory at June 30, 2015, consists of weatherization materials totaling \$116,150. The inventory related to the Northern Forest Heritage Park was considered to be in poor condition and not saleable. The inventory was written off in April 2015.

NOTE 4. PROPERTY

Property consists of the following at June 30, 2015:

	<u>Capitalized Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Building	\$10,599,723	\$ 3,018,512	\$ 7,581,211
Equipment	2,176,915	1,570,013	606,902
Land	<u>691,467</u>	<u>-</u>	<u>691,467</u>
	<u>\$13,468,105</u>	<u>\$ 4,588,525</u>	<u>\$ 8,879,580</u>

The Organization has use of computers and equipment which are the property of state and federal agencies under grant agreements. The equipment, whose book value is immaterial to the financial statements, is not included in the Organization's property and equipment totals.

Depreciation expense for the year ended June 30, 2015 was \$482,262.

The Organization also had building refinancing costs of \$17,730 during the prior year. Amortization expense and accumulated amortization for the year ended June 30, 2015 was \$887 and \$2,365, respectively.

NOTE 5. ACCRUED EARNED TIME

Employees of the Organization are eligible to accrue vacation for a maximum of 240 hours. At June 30, 2015, the Organization had accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$332,024.

NOTE 6. LONG TERM DEBT

The long term debt of the Organization as of June 30, 2015 consisted of the following:

Note payable with the USDA requiring 360 monthly installments of \$1,746 including interest at 4.5% per annum. Secured by general business assets. Final installment due June 2024.	\$ 133,110

Note payable with the USDA requiring 360 monthly installments of \$1,664 including interest at 5% per annum. Secured by general business assets. Final installment due January 2027.	174,527

Note payable with the USDA requiring 360 monthly installments of \$292 including interest at 4.75% per annum. Secured by general business assets. Final installment due April 2030.	33,651

Note payable with the USDA requiring 360 monthly installments of \$74 including interest at 4.75% per annum. Secured by general business assets. Final installment due June 2029.	9,061

Note payable with a bank requiring 120 monthly installments of \$475 including interest at 4.25% per annum. Secured by a first mortgage on a business condo. Final installment due December 2015.	2,820
Note payable with a bank requiring 120 monthly installments of \$3,799 including interest at 6.75% per annum. Secured by first mortgages on two commercial properties. Final installment due April 2021.	444,989
Note payable to a related party, interest accrues 10% per annum, no monthly installments, full principal amount plus interest is due August 2012, informally extended.	12,578
Note payable to a non-profit organization (related party), interest accrues 5% per annum, no monthly installments, full principal plus interest due during the Organization's fiscal year end 2013, informally extended.	120,147
Bond payable with a bank requiring monthly installments of \$15,260 including interest adjusted by a swap agreement with a fixed rate of 3.85%, adjusted by the difference between the fixed amount and a rate of interest equal to 69% of the sum of the 1 month LIBOR rate plus 3.25% (when the Organization's debt service coverage ratio is 1.10) or 3.00% (when the Organization's debt service coverage ratio is 1.20). Secured by first commercial real estate mortgage on various properties and assignment of rents at various properties. Final installment due August 2040.	2,948,780
Note payable with a bank requiring 240 monthly installments of \$4,518 including interest at 4.16% per annum. Secured by second mortgage on commercial property. Final installment due December 2032.	462,878
Cornerstone Housing North, Inc. capital advance due to the Department of Housing and Urban Development. This capital advance is not subject to interest or principle amortization and will be forgiven after 40 years, or on August 1, 2047.	1,617,600

Cornerstone Housing North, Inc. mortgage payable due to New Hampshire Housing Finance Authority. The mortgage is not subject to interest or principle amortization. Payments are deferred for 40 years.

	<u>250,000</u>
	6,210,141
Less current portion due within one year	<u>(271,685)</u>
Total long term debt	<u>\$ 5,938,456</u>

The scheduled maturities of long term debt as of June 30, 2015 were as follows:

Years ending <u>June 30</u>	<u>Amount</u>
2016	\$ 271,685
2017	142,297
2018	541,085
2019	129,965
2020	135,963
Thereafter	<u>4,989,146</u>
	<u>\$ 6,210,141</u>

As described at **Note 2**, the Organization is required to maintain a reserve account with a bank for the first six notes payable listed above. In May 2013, the Organization began making monthly deposits to the reserve account, but had not yet accumulated the required balance. Failure to meet this requirement may be construed by the Government to constitute default; however, the awarding agency is aware of this issue and has not made a request for advanced payment. The balance in this account as of June 30, 2015 was \$11,135.

Subsequent to year end, the Agency purchased two vehicles with note payables totaling \$38,284. The future scheduled maturities of long term debt for these two vehicles are as follows:

Years ending <u>June 30</u>	<u>Amount</u>
2016	\$ 4,828
2017	5,809
2018	6,138
2019	6,485
2020	6,852
Thereafter	<u>8,172</u>
	<u>\$ 38,284</u>

NOTE 7. DEMAND NOTE PAYABLE

The Organization has available a \$45,000 unsecured line of credit with Northway Bank. Borrowings under the line bear interest at 6.50% per annum, and totaled \$28,045 at June 30, 2015.

The Organization has available a \$750,000 line of credit with TD Bank which was secured with real estate mortgages and assignments of leases and rents on various properties as disclosed in the line of credit agreement. Borrowings under the line bear interest at 4.25% per annum, and totaled \$400,000 at June 30, 2015. The line is subject to renewal each January.

The Organization has available a \$25,000 line of credit with Bank of New Hampshire which is secured with all business assets of the Northern Forest Heritage Park. Borrowings under the line bear interest at 4.25% per annum, and totaled \$15,509 at June 30, 2015. The Northern Forest Heritage Park was sold subsequent to fiscal year end, at which time the line of credit was paid off in full.

The Organization was issued an unsecured revolving line of credit in 2014 with the New Hampshire Department of Administration Services. On June 30, 2015, the outstanding debt totaled \$256,698, which included accrued interest of \$5,860.

NOTE 8. LEASES**Operating Leases**

The Organization has entered into numerous lease commitments for space. Leases under non-cancelable lease agreements have various starting dates, lengths, and terms of payment and renewal. Additionally, the Organization has several facilities which are leased on a month to month basis. For the year ended June 30, 2015, the annual rent expense for leased facilities was \$180,867.

Minimum future rental payments under non-cancelable operating leases having initial terms in excess of one year as of June 30, 2015, are as follows:

<u>Years ending</u> <u>June 30</u>	<u>Amount</u>
2016	\$ 139,374
2017	92,385
2018	82,127
2019	68,688
2020	34,974
Thereafter	<u>247,027</u>
	<u>\$ 664,575</u>

NOTE 9. IN-KIND CONTRIBUTIONS

Contributions of donated services that create or enhance non-financial assets or that require specialized skills and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received.

The Organization records the value of in-kind contributions according to the accounting policy described in **Note 1**. The Head Start, Transportation and Elder Programs rely heavily on volunteers who donate their services to the Organization. These services are valued based upon the comparative market wage for similar paid positions. The Organization is also the beneficiary of a donation of in kind in the form of below market rent for some of the facilities utilized by the Head Start and Elder Programs. The value of the in-kind rent is recorded at the difference between the rental payment and the market rate for the property based upon a recent appraisal.

Many other individuals have donated significant amounts of time to the activities of the Organization. The financial statements do not reflect any value for these donated services since there is no reliable basis for making a reasonable determination.

NOTE 10. CONCENTRATION OF RISK

Tri-County Community Action Program, Inc. receives a large majority of its support from federal and state governments. For the year ended June 30, 2015, approximately \$12,900,000 (73%) of the Organization's total revenue was received from federal and state governments. If a significant reduction in the level of support were to occur, it would have a significant effect on the Organization's programs and activities.

Cornerstone Housing North, Inc. receives a large majority of its support from the U.S. Department of Housing and Urban Development. For the year ended June 30, 2015 approximately 69% of the Organizations total revenue was derived from the U.S. Department of Housing and Urban Development. In the absence of additional revenue sources, the future existence of Cornerstone Housing North, Inc. is dependent upon the funding policies of the U.S. Department of Housing and Urban Development.

The majority of Cornerstone Housing North, Inc.'s assets are apartment projects, for which operations are concentrated in the elderly person's real estate market. In addition, the Organization operates in a regulated environment. The operation of the Organization is subject to administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the administrative burden, to comply with the change.

NOTE 11. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following specific program services as of June 30, 2015:

NH Charitable Foundation Grant, Mt. Jasper	\$ 32,653
Berlin Area Renewable Energy Initiative	7,281
RSVP Program Funds	7,112
10 Bricks Shelter Funds	122,252
Donations to Mahoosuc Trail	6,842
Community Contact	15,040
Donations to Maple Fund	1,825
FAP/EAP	38,117
Homeless Programs	47,677
Temporary Municipal Funding	247,754
Julien Fund (AOD)	575
Angelias Fund (AOD)	235
Loan Programs	36,291
Private Funding for Alcohol and Other Drug Program	50,000
L. CHIP – Brown Co. House	19,443
Restricted Buildings	<u>112,813</u>
Total temporarily restricted net assets	<u>\$ 745,910</u>

NOTE 12. COMMITMENTS AND CONTINGENCIES**Grant Compliance**

The Organization received funds under several federal and state grants. Under the terms of the grants the Organization is required to comply with various stipulations including use and time restrictions. If the Organization was found to be noncompliant with the provisions of the grant agreements, the Organization could be liable to the grantor or face discontinuation of funding.

Environmental Contingencies

On March 30, 2009 the Organization's Board of Directors agreed to secure ownership of a 1.2-acre site located in Berlin, New Hampshire. There are 2 buildings on this site designated as the East Wing and West Wing Buildings which were formerly used as a research and development facility for the Berlin Mills Company. The exterior soil and interior parts of the East Wing Building contained contaminants which required environmental remediation. In a letter dated May 2, 2012, the State of New Hampshire Department of Environment Services (the Department) noted that the remedial actions for the exterior soils and parts of the East Wing Building had been completed to the Department's satisfaction.

In addition, the Department noted that the contaminants related to the West Wing Building did not pose an exposure hazard to site occupants, area residents, and the environment provided the West Wing Building is maintained to prevent further structural deterioration. If further deterioration occurs and contaminants are released into the environment, the Organization could be required to take additional action including containment and remediation.

NOTE 13. RELATED PARTY TRANSACTIONS

As disclosed in **Note 6**, the Organization has a loan payable to the wife of the former Chief Executive Officer. Also in **Note 6**, the Organization has a loan payable to a non-profit organization which also provides pass-through state and federal funding for some of the Organization's programs. See **Note 6** for terms of the note payables. Total notes payable to related parties for the year ended June 30, 2015 was \$132,725.

NOTE 14. RESIDUAL RECEIPTS ACCOUNT

Cornerstone Housing North, Inc.'s use of the residual receipts account is contingent upon HUD's prior written approval. The amount at June 30, 2015 was \$2,010 and is included in restricted cash.

NOTE 15. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Non-recognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through December 10, 2015, the date the financial statements were available to be issued.

Subsequent to year end, but before the date of this report, the Organization sold the Northern Forest Heritage Park. At that time, the associated line of credit was paid off in full. Also, subsequent to year end, the Organization discontinued the Restorative Justice Division.

Subsequent to year end, the Organization purchased two vehicles with long term debt. The long term debt of the two vehicles consisted of the following:

Note payable to a financing company requiring 72 monthly installments of \$312 including interest at 5.49% per annum. Secured by an Organization's vehicle. Final installment due August 2022. \$ 19,127

Note payable to a financing company requiring 72 monthly installments of \$1,664 including interest at 5.54% per annum. Secured by an Organization's vehicle. Final installment due July 2022. 19,157

38,284

Less current portion due within one year (4,828)

Total long term debt \$ 33,456

The future principle payments are included in **Note 6**.

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015**

Federal Grantor/Pass Through Grantor/Program Title	Pass-through Entity Identifying Number	Federal CFDA Number	Federal Expenditures
<u>U.S. Department of Health and Human Services</u>			
<i>Direct</i>			
Head Start	01CH1041/48	93.600	2,261,736
<i>Passed through New Hampshire Office of Energy and Planning</i>			
Low-Income Home Energy Assistance (Admin.)	1033340	93.568	7,671
Low-Income Home Energy Assistance (Assurance 16)	1033340	93.568	34,456
Low-Income Home Energy Assistance (Admin.)	G-15B1NHLIEA	93.568	340,660
Low-Income Home Energy Assistance (Program)	G-15B1NHLIEA	93.568	5,145,190
Low-Income Home Energy Assistance (Assurance 16)	G-15B1NHLIEA	93.568	127,361
Low-Income Home Energy Assistance (HRRP)	1033553	93.568	28,315
Low-Income Home Energy Assistance (HRRP)	G-14B1NHLIEA	93.568	107,100
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (SEAS)	15AANT3SP	93.044	10,806
<i>Passed through New Hampshire Health and Human Services</i>			
Community Services Block Grant	102-500731	93.569	121,031
Community Services Block Grant	102-600731	93.569	511,218
Temporary Assistance for Needy Families (NHEP Workplace Success)		93.558	309,724
Temporary Assistance for Needy Families (JARC)	102-500731	93.558	24,300
Preventative Health and Health Services Block Grant (Oral Health Program)	90072003	93.991	11,286
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services (Sr Oral Health)	102-500731	93.043	3,150
Special Programs for the Aging - Title III, Part C - Nutrition Services (HD Meals)	541-500383	93.045	78,084
National Family Caregiver Support (Family Caregiver)		93.052	20,965
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (Sr Wheels)	512-500352	93.044	48,356
Medical Assistance Program (Options Counseling and I&R #7)		93.778	70,951
Medical Assistance Program (Transportation)		93.778	44,623
Nutrition Services Incentive Program (NSIP)		93.053	79,843
Social Services Block Grant (Title XX I&R)		93.687	9,269
Social Services Block Grant (HD Title III C2 units)		93.687	176,038
Social Services Block Grant (HD Title III B miles)		93.687	10,217
Social Services Block Grant (Title XX HD miles)		93.687	4,513
Special Programs for the Aging - Title III, Part C - Nutrition Services (Congregate Meals)	541-50000383	93.045	85,467
Affordable Care Act - Aging and Disability Resource Center (Options Counseling)		93.517	26,702
Centers for Medicare and Medicaid Services (SHIP)		93.779	12,707
Special Programs for the Aging - Title IV and Title II - Discretionary Projects (SMPP)		93.048	12,257
Special Programs for the Aging - Title IV and Title II - Discretionary Projects (SMPP Capacity Building)		93.048	6,706
Administration for Community Living - Medicare Enrollment Assistance Program (MIPPA)		93.071	2,405
Centers for Medicare and Medicaid Services (Marketplace Assister Services)		93.525	34,357
Centers for Medicare and Medicaid Services (Marketplace Assister Services)		93.525	11,947
<i>Passed Through New Hampshire Coalition against Domestic and Sexual Violence</i>			
Family Violence Prevention and Services/Battered Women's Shelters - Grants to States and Indian Tribes (SPIRDV)		93.671	26,446
Family Violence Prevention and Services/Battered Women's Shelters - Grants to States and Indian Tribes (DVS)		93.671	22,884
<i>Passed through New Hampshire Division of Public Health Services</i>			
Block Grants for Prevention and Treatment of Substance Abuse		93.959	267,651
<i>Passed through New Hampshire Division of Child Support Services</i>			
Projects for Assistance in Transition from Homelessness (PATH)		93.150	81,767
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			10,176,139
<u>U.S. Department of Energy</u>			
<i>Passed through Governor's Office of Energy and Community Services</i>			
Weatherization Assistance for Low-Income Persons	EE006169	81.042	16,658
Weatherization Assistance for Low-Income Persons	EE006169	81.042	196,742
Weatherization Assistance for Low-Income Persons	EE006169	81.042	74,663
TOTAL U.S. DEPARTMENT OF ENERGY:			288,063
<u>U.S. Corporation for National and Community Service</u>			
<i>Direct</i>			
Retired and Senior Volunteer Program	13SRANH001	94.002	66,717
TOTAL U.S. CORPORATION FOR NATIONAL AND COMMUNITY SERVICE:			66,717

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

Federal Grantor/Pass Through Grantor/Program Title	Pass-through Entity Identifying Number	Federal CFDA Number	Federal Expenditures
<u>U.S. Department of Agriculture</u>			
<i>Direct</i>			
Supplemental Nutrition Assistance Program (food stamps)		10.551	3,230
Rural Housing		10.433	2,110
<i>Passed Through New Hampshire Department of Education</i>			
Child and Adult Care Food Program		10.558	99,635
TOTAL U.S. DEPARTMENT OF AGRICULTURE:			104,975
<u>U.S. Department of Homeland Security</u>			
<i>Direct</i>			
Emergency Management Performance Grants (FEMA)	592200-001	97.042	8,392
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY:			8,392
<u>U.S. Department of Justice</u>			
<i>Passed through New Hampshire Coalition Against Domestic and Sexual Violence</i>			
Grants to Encourage Arrest Program (GTEAP)	2014-WE-AX-003E	16.590	2,173
Crime Victim Assistance (VOCA)		16.575	71,084
Sexual Assault Services Formula Program (SASP)	2012-KF-AX-0021	16.017	8,364
TOTAL U.S. DEPARTMENT OF JUSTICE:			81,621
<u>U.S. Department of Transportation</u>			
<i>Passed through New Hampshire Department of Transportation</i>			
Formula Grants for Rural Areas (Section 5311)		20.509	339,089
Enhanced Mobility of Seniors and Individuals with Disabilities (5310 POS, NCC)		20.513	54,989
Enhanced Mobility of Seniors and Individuals with Disabilities (5310 POS, MWVEC)		20.513	18,961
TOTAL U.S. DEPARTMENT OF TRANSPORTATION:			412,039
<u>U.S. Department of Housing and Urban Development</u>			
<i>Passed through New Hampshire Office of Family Services</i>			
Emergency Solutions Grant Program		14.231	32,512
Supportive Housing Program (HOIP)		14.235	127,553
<i>Passed through the City of Berlin</i>			
Community Development Block Grant		14.228	20,482
<i>Passed through New Hampshire Health and Human Services then Southwestern Community Services</i>			
Emergency Solutions Grant Program (Rapid Re-Housing and Prevention)		14.231	393
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:			180,940
<u>U.S. Department of Labor</u>			
<i>Passed through New Hampshire Department of Labor</i>			
WIA Adult Program	2014-0004	17.258	64,099
WIA Dislocated Worker Formula Grants	2014-0004	17.278	63,090
TOTAL U.S. DEPARTMENT OF LABOR:			127,189
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 11,446,075

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Tri-County Community Action Program, Inc. under programs of the federal government for the year ended June 30, 2015. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of Tri-County Community Action Program, Inc., it is

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
Tri-County Community Action Program, Inc.
Berlin, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Tri-County Community Action Program, Inc. (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2015, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 10, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Tri-County Community Action Program Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Tri-County Community Action Program Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Tri-County Community Action Program Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tri-County Community Action Program Inc.'s consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Leone, McDonnell & Roberts
Professional Association

December 10, 2015
North Conway, New Hampshire

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

**Leone,
McDonnell
& Roberts**
PROFESSIONAL ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS
WOLFEBORO • NORTH CONWAY
DOVER • CONCORD
STRATHAM

To the Board of Directors of
Tri-County Community Action Program, Inc.
Berlin, New Hampshire

Report on Compliance for Each Major Federal Program

We have audited Tri-County Community Action Program Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Tri-County Community Action Program Inc.'s major federal programs for the year ended June 30, 2015. Tri-County Community Action Program Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Tri-County Community Action Program Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Tri-County Community Action Program Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Tri-County Community Action Program Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Tri-County Community Action Program, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of Tri-County Community Action Program, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Tri-County Community Action Program Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Tri-County Community Action Program, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Leone, McDonnell & Roberts
Professional Association

December 10, 2015
North Conway, New Hampshire

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

1. The auditors' report expresses an unmodified opinion on the consolidated financial statements of Tri-County Community Action Program, Inc.
2. No significant deficiencies relating to the audit of the consolidated financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the consolidated financial statements of Tri-County Community Action Program, Inc. which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs during the audit are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133*.
5. The auditors' report on compliance for the major federal award programs for Tri-County Community Action Program, Inc. expresses an unmodified opinion on all major programs.
6. There were no audit findings which the auditor would be required to report under section 510(a) of OMB Circular A-133.
7. The programs tested as major programs included:
 - U.S. Dept. of Health & Human Services, Low Income Home Energy Assistance – CFDA #93.568
 - U.S. Dept. of Health & Human Services, Heat Start – CFDA #93.600
 - U.S. Department of Energy, Weatherization Assistance for Low-Income Persons – CFDA #81.042
 - U.S. Dept. of Health & Human Services, Block Grants for Prevention and Treatment of Substance Abuse – CFDA #93.959
 - U.S. Department of Transportation, Formula Grants for Rural Areas – CFDA #20.509
 - U.S. Dept. of Agriculture, Child and Adult Care Food Program – CFDA #10.558
8. The threshold for distinguishing Type A and B programs was \$343,382.
9. Tri-County Community Action Program, Inc. was determined not to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2014

Financial Statement Audit

FS-2014-001

Condition: The Organization records their monthly receivables based on the invoicing done by the Program Directors. The non-contract billings are recorded as miscellaneous receivables for the year-end balance. Management reviews subsequent cash receipts to capture any payments that may have been overlooked by a Program Director when completing their reports for year end.

A system needs to be developed to ensure that all financial information, including the receivable balances and estimates for allowance for doubtful accounts, is captured and reported in the financial statements.

Recommendation: The Organization should design and implement policies and procedures for the recording, reporting and collection of all receivables.

Prior Year Management Response: Management agrees with this finding. Due to the structure of the Organization, billing needs to be initiated by the program departments after reviewing their monthly results from their records and the Organization's accounting system. The Finance Department reviews the revenue and expense reports to review for flags (such as budget variances) that indicate possible unbilled items due to an unexpected revenue and expense imbalance. Monthly inquiries are made of Department Directors to ask about potential unbilled items. Written procedures will be created for Directors and/or their designees to follow to help prevent missed billings, receivable adjustments, and/or the accrual of as yet unbilled but earned receivables.

Current Status: During our testing, we noted that there were proper policies and procedures in place for the recording, reporting and collection of all receivables. Corrected.

FS-2014-002

Condition: The Organization failed to comply with the requirements to report net assets as unrestricted, temporarily restricted, and permanently restricted.

The Organization needs to have a process in place to identify restrictions on grants and donations, as well as monies received from Federal funds.

Recommendation: The Organization needs to develop a policy to properly record the donations and grants to the appropriate net asset classification.

Prior Year Management Response: Management agrees with this finding. The predecessor auditor and former fiscal management had discussions related to the treatment of the net asset section. The Organization decided to seek and utilize the guidance of the predecessor auditor. Before this finding current management was reviewing and questioning the prior recommended net asset classifications. After review of documentation and consulting with the current auditors, the current management concurs that net assets need to be classified differently and that specific written instructions are required to insure proper classification in the future. Subsequent to June 30, 2014, management analyzed the net asset balances and posted adjustments to properly classify net assets by restriction at June 30 2014.

Current Status: Corrected.

Condition: The Organization failed to design and implement procedures to control and monitor the use of a certain bank account and the proper recording of another account.

Controls over the bank accounts must be designed and implemented to prevent, or detect and correct, errors including misappropriations. A lack of internal control procedures over the Organization's bank accounts, noted above, and the reconciliation of those accounts.

One bank account was not properly recorded in the Organization's general ledger, resulting in an adjustment to the trial balance. Another bank account was reported on a cash basis, rather than an accrual basis, and had to be adjusted accordingly.

Recommendation: Management should further improve controls over the bank accounts in order to ensure that they are being reported properly.

Prior Year Management Response: Management agrees with this finding. Although immaterial to the financial statements in this instance, Management agrees that all bank accounts need to be recorded and reconciled properly due to the responsibility related to the custody of these cash assets. The Organization has corrected the issue related to both referenced accounts above and is performing further research to ensure no other such accounts have been omitted.

Current Status: Corrected.



COMMUNITY ACTION

TRI-COUNTY CAP

30 Exchange Street, Berlin, New Hampshire 03570

p: 603 752-7001 f: 603 752 7607

www.tccap.org

CEO: Robert G. Boschen, Jr.

COO: Jeanne L. Robillard

FD/Interim CFO: Randall S. Pilotte

BOARD OF DIRECTORS FY2016

COÖS COUNTY

Board Chair

Sandy Alonzo
Teacher

Treasurer

Cathy Conway
Vice President- Economic
Development - NCIC

Secretary

Gary Coulombe
Firefighter

Andrew Lefebvre
Teacher

CARROLL COUNTY

Anne Barber
Attorney

Michael Dewar
Business Owner

Vice Chair

Dino Scala
Business Owner

Karolina Brzozowska
Rehab Specialist

GRAFTON COUNTY

Linda Massimilla
State Representative

Tricia Garrison
Student

Serving Coös, Carroll & Grafton Counties

Administration
603-752-7001

Weatherization
603-326-6626

Community Contact
603-752-3248

Energy Programs
603-752-7100

A&D
603-752-7941

Transit
603-752-1741

R.S.V.P.
603-752-4103

Elder Programs
603-752-3010

Robert Boschen, Jr., CMA, MBA

WORK EXPERIENCE

Tri-County Community Action Program Chief Executive Officer

Berlin, New Hampshire
April 2016 – Present

- Responsible for the strategic and day to day operations for a \$20 million agency. 280+ employees

Chief Operating/Chief Financial Officer

March 2015 – April 2016

- Responsible for assisting with the strategic and day to day operations and fully responsible for the financial operations, information technology, human resources and facilities management.

Chief Financial Officer

June 2014 – March 2015

- Responsible for financial operations and facilities management..

Town of Falmouth Director of Finance

Falmouth, Maine
August 2011 – May 2014

- Responsible for financial operations and reporting related to the \$11 million budget for the Town – population 11,165
Responsible for the accounts payable for the combined Town/School budget of \$42 million and investments of \$30 million.

City of Waterville Director of Finance/Treasurer

Waterville, Maine
October 2006 – August 2011

- Responsible for financial operations and reporting related to the \$16 million budget for the City – population 15,600 - a service center that expands to roughly 40,000 during the work day. Responsible for the accounts payable and payroll for the combined City/School budget of \$36 million.

State of Maine, Department of Health and Human Services (DHHS), Augusta, Maine Nov 2003 - Oct 2006 Director of Finance for the Office of Medical Services (Medicaid)

Aug 2005 – Oct 2006

Director of Finance & Reimbursement for Bureau of Medical Services (Medicaid)

Nov 2003 – Jul 2005

- Responsible for financial operations, strategies and tactics for the over \$2.3 billion budget for the MaineCare (Medicaid) and related Medicare budget. This consisted of approximately 25% to 30% of the State of Maine's budget and insures over 20% of the State of Maine's population.

M&H Logging and Construction Controller

Rangeley, Maine
September 2001 – November 2003

- Responsible for the financials, human resources, and office operations (including information technology) for a construction business and its related entities including a logging corporation and a land enterprise.

Franklin Community Health Network Controller

Farmington, Maine
October 1997 – September 2001

- Reported directly to CFO for this rural health network that had about \$63 million in revenues.

Aetna, Inc. and Aetna Life and Casualty Aetna, Inc. - Aetna/US Healthcare - Midwest Region Director Planning and Budgeting

September 1991- July 1997
Chicago, Illinois
September 1996 - July 1997

- Responsible for operating plans, membership reporting and budget for the Midwest region (one of six and the largest). \$52 million in operating expenses. \$1.4 billion revenue. \$375 million projected profit.

Aetna Life & Casualty Company - Pharmacy - Finance Department Director/CFO - Finance

Middletown, Connecticut
February 1994 - September 1996

- Complete responsibility for Finance Department. Reported to CEO. Cost center manager duties.
- \$825 million in revenue in 1996. Exceeded \$1.1 billion by 1997. Profits of \$4 million in 1993 expanded to \$32 million for 1996. □ Created 1996 to 1998 strategic plans.

Aetna Life & Casualty Company - Information Technology Expense Management Consultant & Account Representative

Hartford, Connecticut
September 1991 - February 1994

United Technologies - Otis Elevator International/Hamilton Standard Senior Tax Specialist, Consolidations Accountant & G/L Systems Admin.

Connecticut
February 1988 - September 1991

Kaiser Permanente, Accountant - Medical Group

Hartford, Connecticut, Dec 1986 - Feb. 1988

KMG Main Hurdman, Tax Specialist

Stamford, Connecticut, March 1986 - Dec 1986

PROFESSIONAL ORGANIZATIONS & EDUCATION

- Member of Institute of Management Accountants
- The University of Connecticut, Storrs, Connecticut
- The University of Connecticut, Storrs, Connecticut

- Passed the Certified Public Accountant Examination.
- Master of Business Administration
- Bachelor of Science in Business Administration - Finance

Jeanne L Robillard

CORE STRENGTHS

Program development, management and administration • Community collaborations
Development of policy, protocol, and service delivery to meet funder standards
Grant writing and management • Budget performance and financial reporting
Innovative solutions & problem solving • Capacity building
Professional presentations • Public speaking
Dedication • Imagination • Determination • Fortitude

PROFESSIONAL EXPERIENCE

Tri-County Community Action Programs, Inc.

Division Director: TCCAP Prevention Services

Berlin, NH current FT employment

Responsible for three agency programs under the umbrella of TCCAP Prevention Services; oversee division resources, revenues, and expenditures and monitor budget performance; general oversight of programs to meet or exceed agency defined strategic goals; supervise program directors; write grants to support programs, monitor results, and prepare grant reports and financial statements for funders and agency; develop fundraising and marketing strategies for programs; represent program through participation in state and local initiatives relative to program/division goals and service delivery; collaborate with stakeholders and elected officials, including presenting legislative testimony.

Tri-County Community Action Programs, Inc.

Program/Division Director: Support Center at Burch House

Littleton, New Hampshire 2007- 2015

Oversee daily operation and supervision of domestic and sexual violence crisis center and residential shelter; write grants to support programs, monitor results, and prepare grant reports and financial statements for funders and parent agency; oversee program resources, revenues and expenditures, and monitor budget performance and progress toward strategic goals; create and direct victim advocacy programs to ensure compliance with grant deliverables and applicable state and federal law; develop fundraising and marketing strategies; participate in state and local collaborations to enhance victim services; represent program in state and federal victim service initiatives, including presentation of legislative testimony; create and present trainings for medical and legal professionals on legal standards and best practices for victim services.

Bookkeeper: Women's Rural Entrepreneurial Network (WREN)

Bethlehem, NH current PT employment

Responsible for grant fiscal tracking, reporting, funds release and account transfers, bi-weekly payroll and 941 payments, accounts payable and receivable, month end reconciliations for bank accounts, credit cards, petty cash, retail and market sales; monthly POS/QB reconciliation for three retail locations, preparing monthly cash flow, forecasts, and standard fiscal reports for Board of Directors.

Tri-County Community Action Programs, Inc.

Direct Services/Volunteer Coordinator: Support Center at Burch House

Littleton, New Hampshire 1997 to 2007

Provide advocacy and direct service to victims of domestic and sexual violence; supervise court advocacy programs; recruit, train and supervise staff, volunteers, and interns; develop agency systems, policies and protocols; create and present community outreach presentations and campaigns; present school-based violence prevention classes for grades K-12; provide on-call coverage of crisis line

**Director: Haverhill Area Juvenile Diversion Program
Woodsville, New Hampshire 1999-2001**

Recruit, train, and supervise volunteer diversion committees; establish community programming for diverted youth; supportive counseling of youth; maintain collaborative relationships between the court system, juvenile service officers, local police departments, and diversion program; prepare and file court reports on diverted youth; community outreach and education

**Counselor/Title I Teacher: Northern Family Institute-Jefferson Shelter
Jefferson, New Hampshire 1996-1999**

Provide individual supportive counseling to adjudicated youth, facilitate peer support groups, develop and implement treatment plans and case management services to clients, supervise and tutor youth in classroom setting, supervise youth in daily living skills

**Executive Administrative Assistant: North Country United Way
Littleton, New Hampshire 1993-1996**

Bookkeeper with payroll, develop and facilitate community outreach presentations, fundraising, develop and administer member program services, grant writing, preparation of financial reports for Board of Directors, general administrative support to Executive Director.

**Accounting Department: Easter Seals/Goodwill/Rehabilitation Centers, Inc.
New Haven, Connecticut 1985-1989**

Consumer accounts receivable; delinquent account collections; insurance billing; administrative operations purchasing for over 300 employees; purchasing of medical equipment and supplies for rehabilitation facilities; purchasing retail merchandise for twelve Goodwill stores; reduced agency spending on common supplies by 20% through bulk purchasing and vendor purchase agreements.

Education

BS in Human Services, Springfield College School of Human Services, Boston, MA
Criminal Justice Concentration, *Graduated with 4.0 GPA*

AS in Drug and Alcohol Rehabilitation Counseling (DARC Program)
Southern Connecticut Community College, New Haven, CT

Additional Skills, Professional Leadership and Civic Affiliations

- ♦ Chairman, Bethlehem Board of Selectmen, Town of Bethlehem Twice Elected 2006-2010
- ♦ Chairman, Arts Alliance of Northern New Hampshire 2000-2003, *Treasurer 1996-1998*
- ♦ Chairman, Haverhill Area Family Violence Council 1998-2003
- ♦ Certified PRIME FOR LIFE Impaired Driver Intervention Program Instructor #NH16199
- ♦ Registered Sexual Harassment Prevention Trainer in the State of New Hampshire
- ♦ Board Member, Women's Rural Entrepreneurial Network 2014; *Individual Member 2008-current*
- ♦ Bethlehem Planning Board 2010 - *current*
- ♦ Bethlehem Conservation Commission 2006 - *current*
- ♦ Granite United Way, North Country Cabinet Member 2011-2012
- ♦ TCCAP: Commendation- Division Director Award, 2011
- ♦ Bethlehem Citizen's Advisory Committee on Recycling 2007-2010
- ♦ Licensed Foster Parent, State of NH 2000-2006
- ♦ Small Business Owner : Aurora Energies 2015- *current*
- ♦ Speakeasy Trio Jazz Vocalist/ Sweet Jamm Swing Band Jazz Vocalist 1997- *current*
- ♦ Member, United States Figure Skating Association/International Skating Institute *current since 1993*
- ♦ Avid outdoor enthusiast and angler

RANDALL S. PILOTTE

SUMMARY

Accounting professional with over 26 years of experience, of which 21 years were with a single private manufacturer. 16 years of experience managing accounting professionals. Key competencies include:

Financial Statements
Payroll

Accounts Payables
Bank Reconciliations

Inventory
Accounts Receivables

Fixed Assets
Sales/Use Tax

EXPERIENCE

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC., Berlin, NH

06/2013-Present

Fiscal Director/Interim CFO (2016 – Present)

Accounting Manager (2015 – 2016)

- Direct and manage a fiscal staff of 4 and processes associated with the general ledger, payroll, and accounts payable, accounts receivable, cash receipts and fixed assets.
- Prepare and supervise the production of financial statements including Balance Sheet, Revenue and Expense Reports, and Cost Summaries on a monthly and annual basis.
- Maintain proper accounting controls on grants and contributions to ensure accurate revenue reporting and expense tracking to support periodic monitoring's by funders and auditors.
- Ensure all balance sheet, revenue and expense accounts are analyzed and reconciled periodically.
- Collaborate with Division Directors to monitor departmental revenue and expenses versus budget.
- Worked with the CFO to develop real time monthly and annual financial reporting; and implementing departmental goals.
- Prepare audit schedules for external auditors.
- Collaborate with external auditors in completing annual audit in a timely manner.

Accountant (2013-2014)

ST. PAUL'S UNITED METHODIST CHURCH, Manchester, NH

04/2011-04/2013

Auditor

Performed annual audit of the church finances for F/Y 2010 through 2012 which included various committees such as Finance, Trustee's, Senior's and Women's Group. Trustee's committee bookkeeper for F/Y 2012. Treasurer of Trustee's committee for F/Y 2007 & 2008. During 2012 & 13 served on newly created "Investment Committee", established and monitored fund performance and was church's point of contact to the investment firm.

KENT NUTRITION GROUP, INC. (f/k/a Blue Seal Feeds, Inc.), Londonderry, NH

03/1989-09/2010

Assistant Controller (2005-2010)

- Ensured an accurate and timely monthly and year end close, consisting of the preparation of a consolidated and individual financial statements in accordance with GAAP for nine manufacturing plants and 11 retail stores with gross revenues in excess of \$200M. Additional responsibilities included preparing journal entries, account analysis, inventory review and observation, fixed assets, and depreciation.
- Managed, trained, and supervised a staff accountant responsible for ensuring accurate journal entries, inventory reconciliation, tonnage tax returns, bank reconciliations, and assignment of special projects.
- Oversaw all aspects of a proprietary software, multi-state payroll system for 500 employees. Prepared all federal and state payroll tax reports, including quarterly and year-end returns, processing of W2s, and supervision of payroll clerk.
- Interfaced with 18 various banks throughout New England and Mid-Atlantic area used as depositories.

- Prepared multi-state sales/use tax returns and acted as point of contact for audits.
- Pro-actively coached and consulted plant and store management on the annual budget development process.
- Oversaw month-end accruals.
- Assisted and responded to auditors requests on annual audit.
- Filed annual franchise and abandoned property reports with appropriate states.

Accounting Manager (1999-2005)

Supported the Corporate Controller's initiatives by providing supervision and oversight to the Accounting function. Supervised and trained two accounts payable clerks on Chart of Accounts, Accounts Payable, timely and accurate processing and payment of vendor's invoices, employee travel reimbursements, and standard accounting practices.

Accountant/Payroll Supervisor (1994-1999)

Accountant (1989-1994)

NORTHERN TELECOM, INC., Concord, NH

05/1987-03/1989

Associate Results Accountant (1988-1989)

Accounts Payable (1987-1988)

SPECIAL PROJECTS

Blue Seal Feeds, Inc. Participant of a 3 person team to improve logistics. The project resulted in:

- Gained approval for the construction of a 3M dollar warehouse expansion.
- Evaluated each product, by mill, products to manufacturer vs. buy internally.

VOLUNTEERISM

Heritage United Way (f/k/a-Londonderry/Derry United Way), Derry NH: 1996 – 2004

- Tri-annual Agency Review Team
- Appropriations Committee

Manchester Red Cross, Manchester NH: 1995 – 1999

EDUCATION

Bachelor of Science, Accounting, FRANKLIN PIERCE COLLEGE, Concord, NH

Christopher W. Kempton, D.D.S.

Objective:

I am guided by a desire to be helpful and to put my skills to work.

Education:

Broward Community College, Davie, Florida

1973-1975

University of Florida, Gainesville, Florida

1977-1979

Emory University School of Dentistry, Atlanta GA

National Health Service Scholar and Advocate at Emory University

1979-1984

Work History:

Southside Medical Center, Atlanta, GA

1985-2007

Families First Health and Support Center, Portsmouth, NH

2007-2009

Aspen Dental, Concord and Rochester, NH

2009-2010

Tamworth Dental Center, Tamworth, NH

2010 to Present

Hillsborough County Department of Corrections, Manchester, NH

2013 to Present

Memberships:

North Country Dental Society

New Hampshire Dental Society

American Dental Association

CRYSTAL BUSWELL

PROFESSIONAL SUMMARY

Registered Dental Hygienist

- Highly skilled career professional with 10 years practical experience in private general practice dental offices as well as community based dental centers specializing in offices accepting patients who are insured with Medicaid or have no insurance.
- Competent with providing gentle prophies each tailored to the individual patient whether they require periodontal therapy or basic prophylaxis procedures. Proficient with cavitron and piezo scalers, applying fluorides and sealants, digital radiography and photography. Evaluation of possible oral cancers and areas suspicious of decay for diagnosis and treatment by a dentist. Oral hygiene instruction provided to all patients whether they are 2, 52 or 102!
- Computer skills including Dentrix and Eaglesoft dental software and Schick, Kodak and Dexis radiography software. Have experience with front office procedures including high daily patient volume including telephone triage, appointment scheduling, patient referrals, accounts receivables and daily deposits. Proficient in all documentation/record maintenance/paperwork to ensure accuracy and patient confidentiality

CREDENTIALS

National Board Dental Examination	2004
N.E.R.B. Dental Hygiene Clinical Examination	2004
License, State of New Hampshire	2004
License, State of Maine	2005
New Hampshire Local Anesthesia License	2005

EXPERIENCE

Tamworth Dental Center <i>Tamworth, NH</i>	2009-Present
Conway Village Dental <i>Conway, NH</i>	2006-Present
George Gaillardetz, DMD <i>Wolfeboro, NH</i>	2004-2008
Silva Family Dentistry <i>Wolfeboro, NH</i>	2005-2007
Thomas Shealy, III, DMD <i>Stratham, NH</i>	2004-2006
White Mountain Community Health Center <i>Wolfeboro & Conway offices- Not only as a fill-in dental hygienist but started out as an Administrative & Medical Assistant, HIV test counselor, Phlebotomist, Medication Bridge Interim Program Director providing many general office and clinical support duties.</i>	1997-2009

EDUCATION

Associate in Science, major in Dental Hygiene <i>New Hampshire Technical Institute, Concord, NH</i>	2004

AFFILIATIONS

NH Dental Society Member	2004-Current
NH Dental Hygienist Association	2002-2004

References upon request

SUSAN C. BENNETT, R.D.H.

OBJECTIVE	To utilize my skills and abilities within a company that is interested in providing quality work, customer care, and team oriented employees.	
EDUCATION	New Hampshire Technical Institute , Concord, NH Associate Degree in Science, Dental Hygiene	May 1975
CREDENTIALS/ LICENSURE	American Heart Association Healthcare Provider CPR Certification New Hampshire Registered Dental Hygiene License	2012-2014 1975 - Current
WORK HISTORY	190 South Main Street, Wolfeboro, NH 03894 Richard J. Neal Jr. DMD	2004 – 2011
	376 North Main Street, Wolfeboro, NH 03894 Robert Maguire DDS Gary Morris DDS	1990 - 2004 1985 – 1990
	123 South Main Street, Wolfeboro, NH 03894 John VerPloeg DDS C. Warren Brodrick DMD	1985 – 1986 1975 – 1985
WORK EXPERIENCE	• Comprehensive preventive oral prophylaxis, non-surgical periodontal therapy and maintenance • Oral cancer screening, charting, patient education, review of medical history, and periodontal assessment • Ultrasonic scaling (Cavitron) • Radiography to include digital (Dexis) and Panorex; intra-oral digital camera • Placement of sealants, fluoride • Dentrix, Eaglesoft, and Practice Works dental office software experience	
RECENT CONTINUING EDUCATION	• Periodontal Prosthetics-Restorative Connection: Treatment Planning the Edentulous Patient • Current Dental Implant Procedures and Post-Operative Care	

SUSAN C. BENNETT, R.D.H.

REFERENCES

Richard J. Neal Jr. DMD
PO Box 1148
Wolfeboro Falls, NH 03896
drneal@metrocast.net
603-569-4119

Robert Maguire DDS
376 North Main Street
Wolfeboro, NH 03894
rmaguire@metrocast.net
603-569-1140

Cathy Grubisa
273 South Main Street
Wolfeboro, NH 03894
applebasketinn@yahoo.com
603-569-8437

Kristy M. Letendre

Objective

To maintain a career in Human Services / Substance Abuse Administration while attaining skills to perform all tasks at maximum potential.

Education

PRESENT | WHITE MOUNTAINS COMMUNITY COLLEGE

- Major: Business Administration

ONGOING EDUCATION | NHADACA

- Ethics, Confidentiality, Trauma and Addiction, Seeking Safety

COSEMTOLOGY CERTIFICATE | MAY 2001 | LABARON BEAUTY ACADEMY

- Major: Cosmetology

HIGH SCHOOL DIPLOMA | JUNE 1996 | NEW BEDFORD HIGH SCHOOL

- Major: College Preparation

Skills & Abilities

PROFESSIONAL SKILLS

- Prime For Life Certified Instructor
- AED / CPR Certified

LEADERSHIP

- 2010 / Alumni Leadership North Country / White Mountains Community College
- WIPFLI 11th & 12th Annual Conference for Grant Funded Programs

Experience

- **Clinical Services Division Director | Tri-County CAP, Division of Alcohol & Drug Services/Tamworth Dental Center | 04/2016 - PRESENT**
- **Director | Tri-County CAP, Division of Alcohol & Drug Services | 04/2014 - 04/2016**
- **Associate Director | Tri-County CAP, Division of Alcohol & Drug Services | 12/2008 - 04/2014**
- **Administrative Assistant | Tri-County CAP, Division of Alcohol & Drug Services | 09/2008 - 12/2008**
- **Program Specialist | Tri-County CAP, Division of Alcohol & Drug Services | 05/2004 - 09/2008**

REFERENCES: AVAILABLE UPON REQUEST

Tri-County Community Action Program Inc.

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Robert G. Boschen, Jr.	Chief Executive Officer	\$135,000	0.00%	\$0
Jeanne L. Robillard	Chief Operating Officer	\$ 72,000	0.00%	\$0
Randall S. Pilotte	Finance Director/Interim Chief Financial Officer	\$ 70,000	0.00%	\$0
Dr. Christopher Kempton	Dentist	\$135,000	0.00%	\$0
Crystal Buswell	Dental Hygienist	\$ 14,000	0.00%	\$0
Susan Bennett	Dental Hygienist	\$ 44,000	0.00%	\$0
Kristy Letendre	Clinical Services Division Director	\$ 55,000	0.00%	\$0

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**STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF COMMUNITY BASED CARE SERVICES**

BUREAU OF ELDERLY & ADULT SERVICES

Nicholas A. Toumpas
Commissioner

Diane Langley
Director

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9203 1-800-351-1888
Fax: 603-271-4643 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

August 10, 2015

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Community Based Care Services, Bureau of Elderly and Adult Services to enter into Agreements with the vendors listed below to provide to provide dental treatment to adults age sixty (60) and up in need of early or immediate intervention and who lack financial resources. No maximum client or service volume is guaranteed. Accordingly, the price limitation among all Agreements is \$27,886. The Agreements are effective upon the date of Governor Executive Council approval through September 30, 2016. 100% Federal Funds.

Vendor	Vendor #	Vendor Location
Easter Seals New Hampshire, Inc.	177204-B005	Manchester, NH
Families First of the Greater Seacoast	166629-B001	Portsmouth, NH
Goodwin Community Health	154703-B001	Somersworth, NH
Harbor Homes, Inc.	155358-B001	Nashua, NH
Mid-State Health Center	158055-B001	Plymouth, NH
Tri-County Community Action Program, Inc.	177195-B011	Tamworth, NH

Funds to support this request are anticipated to be available in the following account in State Fiscal Year 2016 and State Fiscal Year 2017 upon availability and continued appropriation of funds in the future operating budget, with authority to adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

05-95-48-481010-8917 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADM ON AGING GRANTS

Fiscal Year	Class/Object	Class Title	Total Amount
SFY 2016	102-500731	Contracts for Program Services	\$22,309
SFY 2017	102-500731	Contracts for Program Services	\$5,577
			\$27,886

EXPLANATION

Approval of these contracts will allow the Department to continue the Oral Health program for seniors. The Department's contracted hygienist conducts oral health screenings of older adults in community-based settings, including senior centers and meal sites. Based on screening results and a corresponding oral health questionnaire, individuals are identified who have pain, infection, severe

decay and/or suspicious lesions and who also do not have financial resources or dental insurance to help pay for treatment. Eligible individuals are then referred by the Department to one of these contracted dentists to receive needed dental care.

The dentist will be reimbursed according to a fixed fee schedule up to \$2,000 per individual. This fee schedule is based on the dental services and fees provided to adults in the Department of Health and Human Services Human Immunodeficiency Virus program.

The Department published a Request for Application for Licensed Dentists and Oral Surgeons (RFA #16-DHHS-DCBCS-BEAS-RFA-01) on the Department of Health and Humans Services website February 10, 2015 to March 23, 2015. The Department received six applications. The applications were reviewed by a program Administration and Program Specialist in the Bureau of Elderly and Adult Services. All six applications were selected. (See attached Summary Score Sheet).

The Contract contains language that Department reserves the right to renew the contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of contracted services and Governor and Executive Council approval.

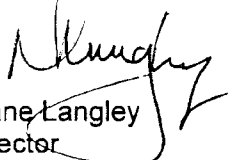
Should the Governor and Executive Council not approve this request, then adults age 60 and older with immediate dental need but without access to care will continue to face barriers to dental treatment and remain at high risk for compromised health. A growing body of evidence links dental disease and periodontal infection to diabetes, heart disease and stroke. Oral health interventions could improve the oral health of older adults, support their well-being and prevent the need for more costly care.

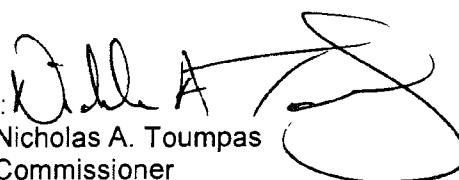
Area to be Served: Statewide

Source of Funds: 100% Federal from the United States Department of Health and Human Services, Administration for Community Living, Title III, Part D Disease Prevention and Health Promotion Services, Catalog of Federal Domestic Assistance (CFDA) #93.043 and Federal Award Identification 15AANHT3PH.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,


Diane Langley
Director

Approved by: 
Nicholas A. Toumpas
Commissioner



New Hampshire Department of Health and Human Services
Office of Business Operations
Contracts & Procurement Unit
Summary Scoring Sheet

Licensed Dentists and Oral Surgeons
RFP Name

16-DHHS-DCBCS-BEAS-RFA-01
RFP Number

Bidder Name

1. Easter Seals of New Hampshire, Inc.
2. Families First of the Greater Seacoast
3. Goodwin Community Health
4. Harbor Homes, Inc.
5. Mid-State Health Center
6. Tri-County Community Action Program, Inc.

Maximum Points	Actual Points
100	80
100	97
100	78
100	72
100	95
100	70

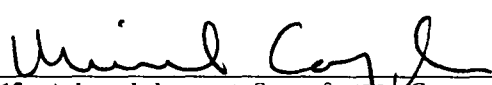
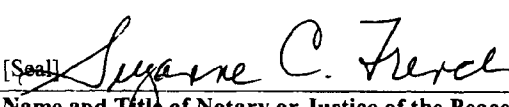
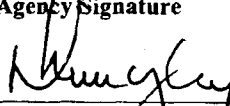
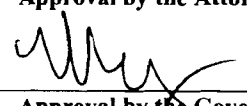
Reviewer Names

1. Tracey Tarr, Administrator
2. Margaret Morrill, Program Specialist
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.

Subject: Senior Oral Health Program**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS**1. IDENTIFICATION.**

1.1 State Agency Name Department of Health & Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Tri-County Community Action Program, Inc.		1.4 Contractor Address 30 Exchange Street Berlin, NH 03570	
1.5 Contractor Phone Number 603-752-7001	1.6 Account Number 05-95-48-481010-8917-102-500731	1.7 Completion Date September 30, 2016	1.8 Price Limitation \$27,886.
1.9 Contracting Officer for State Agency Eric D. Borin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Michael Coughlin Chief Executive Officer	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Coos</u> 8-4-15 On _____, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]			
1.13.2 Name and Title of Notary or Justice of the Peace SUZANNE C. FRENCH Notary Public - New Hampshire My Commission Expires June 19, 2018 Suzanne C. French, Notary			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory D. Langley Director	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Megan A. Loe Attorney On: 8/27/15			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination

Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("Workers' Compensation").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.



Scope of Services

1. SCOPE OF SERVICES:

1.1. The Contractor will:

- 1.1.1. Provide dental treatments to adults ages 60 and up who need early or immediate intervention and lack the financial resources for dental treatment, and who reside in any city or town in New Hampshire, as follows:
 - 1.1.1.1. Accept client referrals from the Department;
 - 1.1.1.2. Complete an oral health diagnosis for each client;
 - 1.1.1.3. Diagnose oral health issues and problems and develop a dental treatment plan based on the client's identified oral health and/or treatment needs;
 - 1.1.1.4. Schedule and remind clients of their dental appointments;
 - 1.1.1.5. Perform, with the individual's approval, dental services and treatment in accordance with the Exhibit B-1 Dental Fee Schedule up to a \$2,000 limit per individual patient for the contract period;
 - 1.1.1.6. Follow up with clients to ensure their pain or infection was alleviated after receiving dental treatment(s);
 - 1.1.1.7. Provide client level data in a secure, electronic format as specified by the Department for completion of required reports; and

2. Licensing Requirements:

The Contractor will ensure that the dentist(s) performing services under this agreement, including any subcontract agreements, must possess a current dental license issued by the State of New Hampshire Board of Dental Examiners.

3. Cultural Considerations:

The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

4. Criminal Background Check:

Contractor shall conduct a New Hampshire criminal background check for a potential applicant for employment or volunteer, funded under this contract.



5. DHHS' Bureau of Elderly and Adult Services' (BEAS) State Registry:

Contractors which are licensed, certified or funded by the DHHS shall meet the requirements of RSA 161-F: 49 Registry, VII, which requires that all employers of programs that are licensed, certified, or funded by the NH Department of Health and Human Services to provide services, submit the name of prospective employees who may have client contact for review against the registry of founded reports of abuse, neglect, and exploitation of incapacitated adults.

6. Contract Monitoring

6.1. The Contractor will:

- 6.1.1. Participate in an "on-site review," conducted by the Department, of the records of clients who received dental care and treatment in the program.
- 6.1.2. Ensure the Department has access sufficient for monitoring of contract compliance requirements as identified in OMB Circular A-133.
- 6.1.3. Ensure the Department is provided with access that includes but is not limited to:
 - 6.1.3.1. Data;
 - 6.1.3.2. Financial records;
 - 6.1.3.3. Scheduled access to Contractor work sites/locations/work spaces and associated facilities;
 - 6.1.3.4. Unannounced access to Contractor work sites/locations/work spaces and associated facilities;
 - 6.1.3.5. Scheduled phone access to Contractor principals and staff.

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Exhibit B

Method and Conditions Precedent to Payment

1. Price Limitation. This Agreement is one of multiple Agreements that will serve the Senior Oral Health Program. No maximum or minimum client and service volume is guaranteed. Accordingly, the price limitation among all Agreements is identified in Block 1.8 of the P-37 for the duration of the Agreement.
2. Subject to the Contractor's compliance with the terms and conditions of the Agreement, the Department shall reimburse the Contractor for actual dental service(s) provided by the contractor to eligible individuals, resulting from referrals made by the Department and in accordance with Exhibit A, Scope of Services.
3. Reimbursement shall be based on the Senior Oral Health Program, Dental Fee Schedule, identified in Exhibit B-1.
4. Reimbursement Limits per Patient. Reimbursement is limited to \$2,000 per patient for during the Agreement period, depending on the availability of funding. Any additional treatment that exceeds the limit per patient shall be at the sole expense of the participating dental practice or clinic.
5. Contract dentists shall complete and submit Dental Claim Forms provided by the Bureau of Elderly and Adult Services for each client, due within 15 days from the date of treatment.
Dental Claim forms shall be sent to:
Bureau of Elderly and Adult Services
Administrator, Community Programs and Long-Term Care
129 Pleasant Street
Concord, NH 03301
6. Notwithstanding anything to the contrary herein, the Contractor agrees that payment under this Agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State Law, rule or regulation applicable to the services provided, or if the said services have not been satisfactory completed in accordance with the terms and condition of this Agreement.
7. The funding source for this Agreement for Dental Services is 100% federal funds from the Administration for Community Living, Title III, Part D, Disease Prevention and Health Promotion Services, CFDA 93.043. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.
8. The contractor shall have or secure a vendor number with the State of New Hampshire to receive payment from the DHHS.
9. The Contractor shall comply with the necessary steps established by the Department for making payments to vendors using Electronic Funds Transfer (EFT). Exceptions to using EFT for payment shall be made upon prior approval of the BEAS Financial Manager or designee.



Exhibit B-1

NH Bureau of Elderly and Adult Services, Older Adult Oral Health Program (ages 60+)
Dental Fee Schedule as of February 2015

Code	Procedure	Fee
D0120	Periodic oral evaluation	41.00
D0140	Limited oral evaluation	60.00
D0210	Intraoral-complete series	96.00
D0220	Intraoral-Periapical 1st film	15.00
D0230	Intraoral-Periapical each additional	10.00
D0270	Bitewings - Xray	17.00
D0272	Bitewings - two films	25.00
D0274	Bitewings - four films	45.00
D0330	Panoramic film	83.00
D2140	Amalgam - 1 surface	150.00
D2150	Amalgam - 2 surface	155.00
D2160	Amalgam - 3 surface	180.00
D2161	Amalgam - 4/4+ surface	200.00
D2330	Resin-1 surface anterior	131.00
D2331	Resin-2 surface anterior	143.00
D2332	Resin-3 surface anterior	147.00
D2335	Resin-4/4+ surface anterior	165.00
D2391	Resin-1 surface posterior	150.00
D2392	Resin-2 surface posterior	155.00
D2393	Resin-3 surface posterior	180.00
D2394	Resin-4/4+ surface posterior	200.00
D4341	Scaling and root planing (per quadrant)	100.00
D4355	Full mouth debridement	90.00
D5110	Complete denture-maxillary	800.00
D5120	Complete denture-mandibular	800.00
D5130	Immediate denture-maxillary	875.00
D5140	Immediate denture-mandibular	875.00
D5211	Maxillary partial-resin base	600.00
D5212	Maxillary partial-resin base	600.00
D5410	Adjust complete denture, maxillary	50.00
D5411	Adjust complete denture, mandibular	50.00
D5421	Adjust partial denture, maxillary	50.00
D5422	Adjust partial denture, mandibular	50.00
D5520	Replace denture teeth	127.00
D5750	Reline complete maxillary denture	244.00
D5751	Reline complete mandibular denture	244.00
D7140	Extraction-erupted/exposed	150.00
D7210	Extraction-surgical-imp bony	225.00
D7240	Removal of Impacted Tooth Tissue	225.00
D7310	Alveoloplasty - per quadrant	275.00
D7472	Removal of torus palatinus Mandibular 2 quadrants	400.00
D5760	Reline maxillary partial denture	99.00
D5761	Reline mandibular partial denture	99.00



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

New Hampshire Department of Health and Human Services
Exhibit C



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
 - 8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
 - 8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
 - 9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

New Hampshire Department of Health and Human Services
Exhibit C



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports: Fiscal and Statistical:** The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
 - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.
18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF
WHISTLEBLOWER RIGHTS (SEP 2013)

- (a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.
- (b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.
- (c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
- When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
 - 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
 - 19.3. Monitor the subcontractor's performance on an ongoing basis



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

FINANCIAL MANAGEMENT GUIDELINES: Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

CONTRACTOR MANUAL: Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act. NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.



REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 4. **CONDITIONAL NATURE OF AGREEMENT.**
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.
2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language:
 - 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
3. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:
 - 14.1.1 Comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$1,000,000 per occurrence with additional general liability umbrella coverage of not less than \$2,000,000.
4. The Department reserves the right to renew the Contract for up to two additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services
Exhibit D



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

Contractor Name:
Tri-County Community Action Program, Inc.

8-4-15
Date

Michael Coughlin
Name: Michael Coughlin
Title: Chief Executive Officer



CERTIFICATION REGARDING LOBBYING

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Contractor Name:

Tri-County Community Action Program, Inc.

8-4-15
Date

Michael Coughlin
Name: Michael Coughlin
Title: Chief Executive Officer



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (I)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name:

Tri-County Community Action Program, Inc.

8-4-15
Date

Michael Coughlin
Name: Michael Coughlin

Title: Chief Executive Officer

Contractor Initials MC

Date 8-4-15



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Contractor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Contractor Initials MC

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations
and Whistleblower protections

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Contractor agrees to comply with the provisions indicated above.

8-4-15
Date

Contractor Name:
Tri-County Community Action Program, Inc.

Michael Coughlin
Name: Michael Coughlin
Title: Chief Executive Officer

Exhibit G

Contractor Initials MC

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations
and Whistleblower protections

Date 8-4-15



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Contractor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Contractor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Contractor Name:

Tri-County Community Action Program, Inc.

8-4-15
Date

Michael Coughlin
Name: Michael Coughlin
Title: Chief Executive Officer



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) Definitions.

- a. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) **Business Associate Use and Disclosure of Protected Health Information.**

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
 - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) Miscellaneous

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health & Human Services
The State

[Signature]
Signature of Authorized Representative

Langley
Name of Authorized Representative

Director
Title of Authorized Representative

8/11/15
Date

Tri-County Community Action Program, Inc.
Name of the Contractor

[Signature]
Signature of Authorized Representative

Michael Coughlin
Name of Authorized Representative

Chief Executive Officer
Title of Authorized Representative

8-4-15
Date



**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY
ACT (FFATA) COMPLIANCE**

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name:

Tri-County Community Action Program, Inc.

8-4-15
Date

Michael Coughlin
Name: Michael Coughlin
Title: Chief Executive Officer

New Hampshire Department of Health and Human Services
Exhibit J



FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 073975708
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

 NO YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____